



**MARCH**

**1952**



### **CLEVELAND—Downtown Area—View From Lake Erie**

THE STADIUM in the foreground and the city's public buildings and business district in the background give a general view of Cleveland's development, especially that under way on the lakefront. Cultural gardens, airfield, passenger boat docks, yacht clubs and traffic freeways are a part of this more than half completed development.

Cleveland American League baseball club and the Cleveland Browns football team play all games, including night affairs, in the stadium which has a capacity of 80,000 people. Crowds of 50,000 to 60,000 are not uncommon and have been as high as 80,000. In addition to sports events, many civic, patriotic, religious and other gatherings are held in the stadium.

A duplicate airfield, to be located on the lakefront about two miles west of this area, is in the planning stage.

# THE BEST LOCATION IN THE NATION



## Fast-Growing Chemical Industry develops New "Chemical Shore"

HERE ON LAKE ERIE'S southern shore, in the Cleveland-Northeast Ohio area, leading chemical companies have committed over \$150,000,000 for expansion since 1945.

**UNLIMITED FRESH WATER**, nearness to vital materials and markets, *plus a growing base of related chemical suppliers and producers*, make the long-term outlook increasingly attractive for the chemical industry here.

**FORWARD-LOOKING EXECUTIVES** are invited to use our free, confidential Location Engineering Service for more information about "The Best Location in the Nation." Our primary interest is in the continued sound economic development of the area we serve. We're looking years ahead, to help you with your future planning.

Phone, or write, Development Department

### Check These Advantages!

Only the Cleveland-Northeast Ohio area, *the best location in the nation*, offers industry this superior combination of long-term advantages:

- At the Market Center of America with 81,000,000 people within 500 miles.
- Superlative transportation by land, water and air.
- Electric power at low rates.
- Productive workers.
- Many producers of parts, materials and supplies.
- Basic materials right at hand.
- Ample financial services.
- Complete business and industrial services.
- Favorable tax structure (no state income tax).
- Diversified industries to supply and be supplied.
- Unlimited fresh water supply.
- Desirable plants and plant sites.
- Excellent living and cultural environment.

### WRITE FOR FREE REPORT

Write today for special report covering your specific plant location problems. Furnished free on request.



**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY**  
73 PUBLIC SQUARE • CHERRY 1-4200 • CLEVELAND 1, OHIO

One of a series of advertisements being published nationally by *The Illuminating Company* to help make more jobs and more opportunities for the people and communities we serve



## Isn't it worth a 3 cent stamp to see how to save up to 70% on billing costs?

Streamlined Cycle Billing, pioneered for retail stores by Remington Rand, is probably the lowest cost billing system ever developed. *Peak loads are ended* — work is spread over the whole month. *Customers have fewer complaints* — because original sales slips accompany bills. *Account Clerks are happier, work better* — since each has real responsibility for the accounts assigned to her.

*Get the facts!* See how Remington Rand will tailor Streamlined Cycle Billing to fit your firm for *top economy* . . . how you will get higher billing production *without adding personnel*.

Send today for your free copy of KD 655, *Everybody . . . but Everybody likes Streamlined Cycle Billing*. A three-cent stamp will bring it to you by return mail.



### **Remington Rand**

Management Controls Reference Library  
Room 1753, 315 Fourth Avenue, New York 10, N. Y.  
Please furnish free copy of KD 655.

NAME \_\_\_\_\_  
TITLE \_\_\_\_\_  
FIRM \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ ZONE \_\_\_\_\_ STATE \_\_\_\_\_

# *National* has a complete line of equipment to meet every Retail Credit need

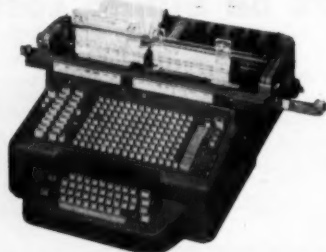
Modern National equipment is available in a variety of models, each individually designed to meet specific problems in the handling of credit transactions.

In every step of the sale—starting with instant authorization on the floor—there is National equipment to handle any conventional type of billing, through to the final payment. And it's speedy and accurate, as well as economical to operate.

Let National's system analysts show how you can give pleasing service to your customers, and—at the same time—provide you with air-tight control over all credit accounts. There is a National office in every principal city. Or, write The National Cash Register Company, Dayton 9, Ohio for particulars.



**ADDING MACHINE.** This National Adding Machine has time-and-effort-saving features never before combined on one adding machine.



**CLASS 31.** This National 31 creates new economy by combining many new automatic features never before available on one machine. It handles Cycle Billing, Accounts Payable, Payroll and other bookkeeping jobs in retail businesses.

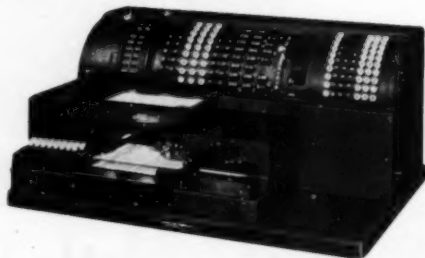
This advertisement is a tribute from the Cleveland organization of NCR to the Cleveland Retail Credit Men's Association, whose members it has long been our pleasure to serve.

A special invitation is extended to all Retail Credit Men to visit us at 2112 Euclid Avenue, Cleveland. A friendly, competent organization is always eager to serve you. Why not visit us?

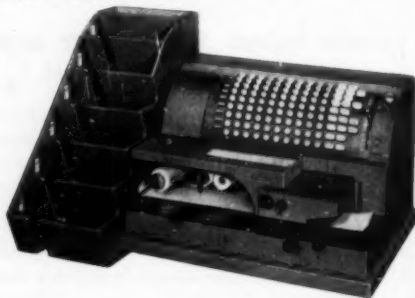
**THE NATIONAL CASH REGISTER COMPANY, DAYTON 9, OHIO**



**CHARGE PHONE.** Direct charge authorization by this National Electric Charge Phone System provides fast, pleasing service for the customer—safety and economy for the store.



**CLASS 2000—INSTALLMENT.** This National Installment Machine handles any of the different deferred payment plans. It controls and posts all related records in one quick operation—in original print, no carbon used.



**CLASS 2000(3UP)—SALES AUDIT.** This National Sales Audit and Distribution Machine reduces auditing costs. In one handling of saleschecks, it provides a complete audit, with many allied functions accomplished as a by-product of auditing.

*National*  
CREDIT AUTHORIZING EQUIPMENT  
CASH REGISTERS • ADDING MACHINES  
ACCOUNTING MACHINES



# The CREDIT WORLD

OFFICIAL PUBLICATION OF THE NATIONAL RETAIL CREDIT ASSOCIATION

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ASSOCIATE EDITOR Arthur H. Hert

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Printed in U.S.A., by Bethany Press.

## Credit WHERE CREDIT IS DUE

... Instantly and without Question

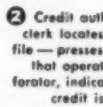
Credit-sound charge customers are an important asset to modern retail trade. It pays to keep them satisfied! Retailers—big and small and from coast to coast—have proved that the KELLOGG Credit Authorizing System keeps good charge customers happy by expediting credit approval to the Nth degree.



Kellogg Credit Authorizing Telephone and Sales Slip Perforator.



1 Sales person makes out charge sales slip, dials proper credit authorizer and places slip in Kellogg Perforator built into Credit Authorizing phone.



2 Credit authorizing clerk locates customer's file—presses a button that operates the Perforator, indicating that credit is OK.



3 The entire transaction takes just a few seconds—is error-proof. There are no annoying questions, no guess work.



KELLOGG SWITCHBOARD AND SUPPLY COMPANY  
6650 South Cicero Avenue, Chicago 38, Illinois



#### GET THE FACTS

Let us explain in detail how you can improve relations with your valuable charge customers.

Kellogg Switchboard and Supply Company  
6650 S. Cicero Ave., Chicago 38, Ill.  
Dept. 14-C

Please send us complete information on credit authorizing procedure.

NAME \_\_\_\_\_  
COMPANY \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ ZONE \_\_\_\_\_ STATE \_\_\_\_\_

# Cleveland's Mayor Burke Greet Credit Fraternity

City of Cleveland

January 29, 1952

THOMAS A. BURKE  
MAYOR

Mr. L. S. Crowder  
General Manager-Treasurer  
National Retail Credit Association  
375 Jackson Avenue  
St. Louis 5, Missouri

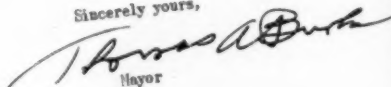
Dear Mr. Crowder:

The dedication of the March issue of  
The CREDIT WORLD to Cleveland is thoughtful on  
your part and appreciated by civic and business  
interests.

Cleveland is a friendly city and as  
such extends greetings to more than the 31,000  
credit executives of the United States and Canada  
who are members of the National Retail Credit  
Association.

I congratulate the National organization  
on its recognition of Cleveland's Retail Merchants  
Board and Credit Bureau. They participate fully  
in civic effort toward the best interests of our  
community.

Sincerely yours,

  
Mayor

TAB:pw

# Reflections

G. C. Driver

Former Credit Manager, The May Company  
Cleveland, Ohio

Past President, The Credit Bureau  
Past President, National Retail Credit  
Association

IT IS A distinct compliment to have the March CREDIT WORLD dedicated to Cleveland, but (may I be so bold as to suggest) it would take several issues to tell the full story. My subject, "Reflections," implies "looking backward" which I'll try to do but for Cleveland the definite rule is to Look Forward.

As I view it, the Cleveland credit fraternity has always been credit conscious and worked for improvements of mutual interest to buyer and seller. Here let me pause to pay reverent thanks to the credit men and women who have passed on. They worked faithfully for the good of the cause.

For the next few minutes, let us muse as to what has happened in the last 35 years. We have gone through two world wars and portions of a third involving serious social, financial and business handicaps; noteworthy are governmental restrictions on production, manufacturing and consumer buying, etc.; and as for our immediate craft, drastic credit regulations.

In this respect, speaking for Cleveland, the usual American ingenuity has prevailed and business, though scarred (not scared), has scored success. A striking example of intelligent administration was the final 100 per cent payoff to depositors who had millions tied up in bank failures. The fluent banks stood by to help each other and prevent further casualties.

There developed new arts of selling, evidenced by highly publicized semiannual storewide sales, branch stores, instalment selling and especially the lure to customers by constantly improving service, viz.: Charge-plate, cycle billing, telephone authorization, escalators, restaurants, lounges, concerts, bus transportation, etc.

An outstanding development is that top management finally recognized benefits to employees, such as shorter working hours, longer vacations, up-to-date lounge rooms, cafeterias, insurance and security plans, financial remuneration, dinners, entertainment and many other arrangements for employee welfare.

Throughout the years, the local Credit Bureau, under capable management, has rendered efficient and helpful service. It did much to maintain an even keel through times when great business hazards were rampant. The local Bureau, accepted as a model, does so many worthwhile things aside from reporting service, it is impossible to list them all here. Principal ones, however, are: College Credit classes; weekly luncheons; weekly bulletins; newspaper publicity; annual meetings; collection service; bank check and fraud charge warnings; arrest and prosecution of offenders; and civic participation. Appreciation of the Bureau's good work is shown by the large increase in and constantly growing membership.

As to National credit affairs, Cleveland has witnessed a number of major events: L. S. Crowder assumed man-



agement of National Retail Credit Association; N.R.C.A. has erected a building of its own; membership has increased from approximately 10,000 to over 31,000; Cleveland was host to three national conferences; Cleveland always represented in N.R.C.A., either as an officer or director; and The CREDIT WORLD accepted as leading authority for all lines of retail credit. N.R.C.A. influenced softening and correcting stringent regulations, constantly promoting safe and sane credit granting; and its management has been called in for consultation on a number of national business affairs.

## Random Reflections in Cleveland

1. Individual bank savings increased to largest in history.
2. Charge sales five times as great as in 1917.
3. Thirty-seven nationalities comprising cosmopolitan Cleveland proved their integrity.
4. Charge account solicitation extensively promoted and found profitable.
5. Large number of new plants erected, boosting payrolls and customer buying power.
6. Credit losses low due to full cooperation with Bureau, merchants reporting all accounts, new, declined and P & L's.
7. Survived gas rationing, food hoarding, housing shortages, and still holding up under persistent increase in cost of living.
8. Witnessed Credit Management Division of N.R.D. G.A. come into being.
9. Improvement in downtown shopping district. Old "ramshackles" torn down and new modern buildings erected.
10. Advent of women serving capably as credit managers.
11. Airports, stadium and rapid transit facilities installed.

If I had my business life to live over and could choose my vocation, I would select the Retail Credit field.

In Cleveland it is an accepted fact that Credit Bureau and Merchants Association activities are on a high plane and successful—financially and service wise.

This condition is made possible in Merchants Association work because of the keen interest of top management. In Bureau operations a like interest is manifested by Credit Executives in their capacity as individuals and as trustees of the corporate body. Add to this a management which quickly and amiably accepts direction and suggestion and you have an efficient organization of lasting duration.

# Cleveland Organization Executives Speak Up

## Management's Credit Responsibilities

**Lee R. Kolb**

**Chairman, Executive Committee, Retail Merchants Board  
Cleveland, Ohio**

**President, B. R. Baker Company**



TOO OFTEN we may be tempted to evaluate the responsibilities of our Credit Managers in terms of "collections, delinquent receivables, and reactivated accounts" when we ought to be thinking of them as Credit sales Managers. Top managements spend fancy sums in advertising to bring new customers into their stores to buy attractive merchandise, but too many times the new customer's experience with "that Credit Department" leaves him appalled with red tape and apparent lack of efficiency.

We expect our Credit Managers to be responsible executives (we even go so far as to tell them they are!) and then promptly proceed to frustrate them with second guesses. We seem to be willing to tolerate markdowns, in varying degrees, on the part of our buyers, and, as a matter of fact, practically give them a budget to correct their mistakes. (It should be pointed out that buyers never make mistakes; they just take markdowns!) But just let the Credit Manager start using a little initiative and exercise some resourcefulness and responsibility to help our customers get quick action and service from the Credit Department, and up goes the old howl that he is throwing caution to the winds and if he does not curb his enthusiasm, we will all wind up in the poorhouse.

It happens too many times that salespeople in the so-called "big ticket" departments look upon the Credit Manager as some kind of goblin who takes a fiendish delight in either turning down credit for a customer who has just been "sold," or by

(Turn to "Credit Responsibilities," page 28.)

## Cleveland—Cooperative Minded

**W. H. Gray**

**President, Retail Merchants Board  
Secretary, Cleveland Retail Credit Men's Co.**



RECOGNIZED the world over as a city of cooperative-minded citizens, Cleveland has demonstrated through its Community Fund and its civic and business life the results which every community may attain by a "live and let live" policy. The retail and credit fields in Cleveland assume their responsibilities, civic and business, in a manner to enhance the over-all operation. The result is a good city in which to live, work and enjoy the best in our American way of life.

Credit executives, professional men and credit granters in more than 120 types of business are fortunate in having a central clearinghouse of information and ideas. This central clearinghouse was founded by top executives. The founders realized the need and fathered the movement until cooperation, the basic principle of success in most business, was secured to a point insuring the future. And make no mistake, they see to it that their well-laid plans and effort are maintained.

The parent organization is the Retail Merchants Board of the Cleveland Chamber of Commerce. This Board or Committee is self-financed. The Credit Bureau of Cleveland, Inc., and the Cleveland Retail Credit Men's Co. are incorporated (not for profit), the first to assist in uniformity of name through the Associated Credit Bureaus of America and the latter to handle all business operation.

The Secretary of the Credit organization is also President and Secretary of the Retail Merchants Board. The plan has been most satisfactory and successful. Credit

(Turn to "Cooperative Minded," page 28.)

# Collection Procedure

Frederick W. Walter

**Credit Manager, The Bailey Company, Cleveland, Ohio**  
**Chairman, Educational Committee, National Retail Credit Association**



THE TWO PILLARS of the economic structure are sales and cash. This applies to the individual operator who offers his personal skill or knowledge for the service of his community as also to the huge manufacturing establishments which produce ingots of steel which are transformed into cars, planes, surgical implements, garden tools, kitchen spiders, and a host of other appliances which would take pages merely to list them. All of these have their being because some individual dreamed of them, and millions of other individuals dreamed about them, and would not be content until they saw them in their own homes.

Retail industry deals with these individuals and is closely bound up with them, sometimes too closely to be comfortable. It has been apparent for some time that credit has been asked to pick up the slack where cash could not carry it. It is commonplace to find merchandise inventories being pressured into accounts receivable to the great relief of management. Under certain conditions that procedure seemed reasonably safe. Today finds us in a new era, strange, paradoxical, and very disturbing. It used to be said that an account properly opened was half collected but today the conditions of the community are posing new problems and the credit department is scratching its collective head.

Total income was never so large in history; taxes were never so heavy; gross savings are at a new high; but there is a large portion of the community which has not been blessed with these increases of income, while upon the entire community rests the load of diminished net income due to dollars below par in acquisition capacity.

In many districts strikes, layoffs, and shortages of materials are eating into the collective pocketbook. These factory dislocations do not affect just the particular city involved, but others which are their suppliers of vital parts, so that they, too, are seriously disturbed. Bankruptcies and trusteeships are on the increase.

Collection procedure is not just a question of what letters or forms are to be sent at specified intervals but a sound, persistent and continuous follow-up of customers whom we have allowed to buy on credit, but whose cash we must have to complete the cycle of operation. Under normal times accounts receivable markdowns are a fraction of inventory markdowns and shortages.

This follow-up is contingent on having, or securing, employees with the necessary application and imagination to cope with the situations as they arise, together with a genuine consideration for the customer. All of which adds up to a tough assignment and a challenge to our ingenuity.



## Twenty-Three Years of Progress

Winifred VerSoy

**Credit Department, The Higbee Company, Cleveland, Ohio**  
**President, Cleveland Women's Credit Club**

Catherine D. Bartlett

**Department Manager, Credit Bureau of Cleveland**



IN MARCH OF 1929, prompted by a desire to become better acquainted with others in the same work, eight credit women met for dinner in the city of Cleveland. That evening the Cleveland Women's Credit Club was organized. Fourteen months after this, the Portland, Oregon, Credit Club was formed. Additional clubs began to appear, particularly in the northwest. These groups were to be the inspiration and prototype for all the other groups which were to be organized throughout the United States and Canada and which were eventually to band together as the Credit Women's Breakfast Clubs of North America in 1937 in Spokane, Washington.

Having successfully inaugurated our Credit Women's Club, the Cleveland group continued to work diligently. In March, 1939, at Indianapolis, under the guidance of the Cleveland Club, the Lake Erie Council was formed. The new Council included the Clubs of Ohio, Michigan, Kentucky and Ontario, Canada. It was this group that aided in the foundation of the Wis-Ill-Ind Council. The latter is composed of the states of Wisconsin, Illinois and Indiana. The function of the Lake Erie Council has meant much to us, and we have always taken a

measure of pride in our close association with the Council of our neighboring states.

Our founders in Cleveland, as charter members, were represented among the officers of the growing International organization, and the Creed used by Breakfast Club members everywhere, was written by Mrs. Ida Bell Weber, a member of the Cleveland Club.

We are all familiar with the purpose of our Credit Women's Clubs. Their need and their usefulness were foreseen in that first meeting in Cleveland. Throughout the years we have tried to justify our existence. Training newcomers in credit work, enduring friendships, friendly relationships between credit departments of the various firms represented and the local Credit Bureau, joy in our work; these are the benefits we have enjoyed these many years.

We are not disappointed with our 23 years of progress. Our projects have been numerous but similar to those of any good Breakfast Club. Our greatest accomplishment, if we are permitted to judge ourselves, is that we have lived in harmony, we have known the fullness of genuine friendship, and we hope we have been useful.





# Cooperation in Cleveland

Clyde C. Kortz

*General Credit Manager, The Higbee Company, Cleveland, Ohio*

*Vice President, The Credit Bureau*

*Past President, District Five, National Retail Credit Association*

EARLY ACCEPTANCE of the importance of co-operation to best performance, results and living, gave to Cleveland long ago its continuing good habit of working together. In matters of mutual interest or responsibility, be they civic or social or business, there is this or that organization, committee or group to hear and consider views pro and con and to make effective the best in all programs.

Chief such, in both scope and continuous service (organized in 1848), is the Chamber of Commerce, and substantial among the many fields to which it contributes is that of Retailing with which it works directly, and also through the associated Better Business Bureau, Advertising Association, Retail Merchants Board and Credit Bureau.

All these latter have functioned in the community's general interest since the turn of the century. The Credit Bureau (organized in 1898) is the oldest cooperative and entirely member-owned such effort in the country.

## **High Degree of Fellowship and Mutual Effort**

Founded in common helpfulness, a high degree of fellowship and mutual effort has maintained throughout its 54 years. Many members and their families are close friends, which splendid fact is both helpful to, and an attractive result of, working well together.

Of the nine members of its Board of Trustees, representing department stores, public utilities, newspapers, dairy products, banks and jewelry business, eight belong to the Quarter Century Clubs of their respective firms. These trustees meet at least once each month.

Toward continuing on in its traditional good ways, Thursday noonday experience meetings are sponsored by the Bureau each week for those of its members who can be on hand. These are held in one of the private dining rooms in a downtown club sponsored by the Chamber of Commerce. Good fellowship prevails, and the discussions of credit and various matters that take place there are interesting and worth while. Many a good idea is exchanged at these meetings and, suffice it to say, they are looked forward to.

Frequent visits between Bureau and members, and rather constant contacts back and forth by phone or memo help greatly, too, to keep things in balance. Several times each year the Bureau holds a special "open house" although members are welcome and urged to visit the Bureau at any time in connection with their credit problems, or to just take a look and get better acquainted.

Cleveland's spirit for working together goes beyond home environs, carrying on intercommunity, and into states, district and national affairs.

In retail credit fields, it is evidenced in Cleveland's long time and current acknowledgements of the construc-

tive place and need for our National Retail Credit Association, our Associated Credit Bureaus of America, our Credit Women's Breakfast Clubs of North America, and in Cleveland's wholehearted, consistent participation in the affairs of these organizations.

We of the Cleveland group are all happy for the privilege of those cooperative opportunities, and for the many good friends and helpful turns that have come to us through them. We look forward to much more such splendid experience.

Along this latter line, however, the outstanding job is done by the Bureau's annual banquet. This is a grand affair where cooperation and good fellowship really do their stuff to the end of everyone having one swell time. *It is easy to do it the Cleveland way!*



***It Is Easy, Working Together***

# Branch Store Credit Procedure

C. Glenn Evans

*Credit Manager, The Halle Bros. Company, Cleveland, Ohio*

*Trustee, The Credit Bureau*

*Former Director, National Retail Credit Association*



THERE ARE as many different opinions about branch store credit procedure as there are relative to that in the main store. No one is the "best" method, but whatever is used must coordinate with the main store system of credit and accounting practice.

The current facilities for rapid communication make it possible for stores, located in New York, to carry all of their accounts there, irrespective of the location of the branch. A salescheck, written in Chicago today, can be in New York tomorrow morning and in the Audit Department ready for processing at 9:00 a.m., along with those written in the home store. Distance has been conquered with respect to the posting media and it is easily possible to maintain a proper and prompt audit and accounting procedure.

So the problem, if any, exists in giving the branch store a current reflection of the credit standing of its customers in the area of the branch. This may present a problem at times, yet the air mail, telephone, teletype, and telegraph services can cover the situation. Branch stores can be given information almost concurrently with the speed that it is given to the various authorization stations in the main store.

It is a common practice for the branch to maintain a file containing information gained when the account is opened. This file is of the nature of a historical record of the account, and memoranda of large charges, complaints, reported delinquencies, and other facts may be entered on it. Then, when the occasion requires, an interviewer will have all information available even though the actual ledger may be hundreds of miles away.

## Branch Store Authorization

The Halle Bros. Co. has four branches, at present, and two of the branches have branches. The two located in Cleveland open new accounts and get credit information direct from the Cleveland Credit Bureau, if it is a rush. Otherwise, the credit applications are sent to the main office by daily messenger along with saleschecks and other posting media, and are processed there. A negative file, supplied by the main office, is used for authorization, with occasional calls being made by telephone. Each branch is equipped with Lamson tube lines for central cashing and credit authorization.

The out-of-town branches, at Canton, Ohio, 60 miles distant, and Erie, Pennsylvania, 100 miles away, carry their own records and handle the accounts with rather casual supervision from the main office. These branches also have the Lamson tubes for cashing and authorizing.

The bookkeeping and accounting procedure in the two independent branches, must, in general, conform to that of the main office. The credit problem is simplified, to a great extent, because of the better knowledge the branch

can have of its own customers. These customers may be known, personally, by the salespeople and the office employees as well. Each one is an individual, and not simply a name in an alphabetical file. This intimate knowledge may permit an account to be approved when otherwise it would not, and also allows us to make a more careful selection of customers.

We use cycle billing in one of the branches, cycle mailing in the other. As soon as possible they will both be on cycle billing as our experience in the one branch using it has been very satisfactory.

The office personnel of a branch should have a higher average ability than is required in the larger operation in the main store. The reason, of course, is that there are no specialists. Each one should be able to do all the various jobs, except possibly the typing.

The methods followed are effective for us, as they fit into the main office procedure. Other ways might be better, individually, but the true measure of any system is the results received, and our plan has been satisfactory.





# Charge Account Promotion

**Joseph L. Fowler**

*Director of Accounts, The May Company, Cleveland, Ohio  
President, Cleveland Retail Credit Men's Company*

TODAY a charge account is accepted by the average customer as a shopping convenience. Consequently, it is of the utmost importance that the merchant extend credit privileges to as many of his potential customers as possible.

The opening of a charge account for a customer does not necessarily mean that the merchant will be favored with any or all of the customer's future business. Unless the merchant has the merchandise that the customer wants to buy, at the price he is willing to pay, the average charge account will not be used.

The merchant constantly strives to obtain desirable merchandise at the right price and by proper advertising and display creates a desire on the part of his customers for possession of this merchandise. The Credit Manager has the responsibility of working in harmony with the merchant to increase total sales volume by making available the convenience of a charge account to as many customers as possible in his trading area.

The Credit Manager should offer a charge account to everyone who has the resources to pay for his purchases, has a good credit record for prompt payment of bills and is in the income bracket that would be interested in the type of merchandise sold by the merchant.

It has been proved many times that a customer will invariably shop first where he has established credit accommodations. The merchant who opens the account first, in many instances, obtains the major share of the customer's future credit business. The record indicates that many customers have accounts with only one merchant. It is, therefore, imperative that the progressive Credit Manager should solicit charge accounts to replace those that have become inactive or moved away.

Most important of all, however, is to open more ac-

tive charge accounts than have become inactive so that the credit business will increase along with the cash business and compare favorably with the total sales volume.



In order to increase credit sales the Credit Manager should obtain an appropriation each year for charge account promotion. The number of credit accounts opened will depend on how carefully and economically the promotion campaign is organized. Those with limited budgets should obtain the most inexpensive but accurate up-to-date list of names available. The method of approach is also determined by the appropriation available, as well as the type of business and the prospects to be contacted.

As previously stated, it is not the number of new accounts that are placed on the books that increases credit sales but rather the desire that is created for the merchandise. However, total sales volume is increased considerably when the convenience of a charge account is made available to everyone in the shopping area who has the purchasing power and the reputation for meeting his obligations when due. The Credit Manager who fails to present a definite charge account promotion program for consideration is remiss about his responsibilities.



# Bank Credit

**T. W. Walters**

*Vice President and Secretary, The Bank of Ohio, Cleveland, Ohio  
Trustee, The Credit Bureau  
Former Vice President, National Retail Credit Association*

BANK CREDIT in its broadest sense is a monetary expression of faith in business and in the individual. Bank credit is an indispensable segment of our business structure and of our mode of life. Without bank credit modern business could not function and our standard of living could not be maintained. Bank credit is the life blood of trade. Our food, clothing, shelter and other necessities and comforts of life are heavily dependent upon the assistance of various forms of bank credit before they are available to us.

To provide a distributive flow of credit and a convenient access to general banking facilities in all centers

of population and business, there are 15,000 banks in the United States, ranging in size from the small crossroad depository to the multibillion-dollar institution that blankets our second largest state with 600 offices. While each bank is an individual unit serving its own clients and community, the 15,000 banks together operate as a collective system of banking to provide an amazingly efficient national banking service.

Today these 15,000 banks are joined in a cooperative effort to promote and stabilize our civilian economy while helping to finance a global program of defense and rearmament. Banks will continue to the best of their

# Dairy Credit and Collections— Cleveland Style

Gordon Turnbull

Credit Manager, Dairymen's Ohio Farmers Milk  
Company  
Cleveland, Ohio

DISTRIBUTORS of dairy products, like the dime stores, live by the sale of millions of units of low price, low profit merchandise. Unlike the dime stores, that sell for cash, we must extend credit to some degree to almost anyone requesting it. This extension of credit by the average dairy represents from 20 to 30 days' sales. With this high percentage of credit business and small unit profit, the big problem is to hold credit losses to a minimum.

The dairies of Cleveland have learned over a period of years that a program of cooperation and education has reduced our credit losses and at the same time increased our sales per customer. This program was conceived and has grown through monthly, Bureau-sponsored, industry luncheon meetings. Any Bureau member in the milk or bakery business is invited to meet with us to discuss our mutual problems and arrive at a solution or benefit by the experience of the combined group.

We report our inactive balances promptly to the Bureau, making our experience available to other merchants through trade reports. We secure and are guided by Bureau trade reports when we are asked to extend credit on other than short-term accounts.

Our cooperation with our labor union by holding to a minimum C.O.D. accounts, for which the salesman is responsible, has held our pay scale on a "commission on collection" basis. This alone is responsible for prompt

ability to serve the essential credit needs of business and the individual while helping industry in an expanding defense program to produce the materials and the instruments that are intended for maintenance of peace, but if required can be used in the prosecution of war.

The impact of introductory diversion of limited civilian production to defense has been moderate, and, up to now, little felt. The change-over is gaining momentum daily and until military achievement reaches its goal! two years hence, the defense program will be utilizing more of our effort, more of our production and more of our bank credit.

Banks accept this challenge and are equipped to assume the responsibility. Operating last year with Regulation X restricting mortgage lending; Regulation W holding down consumer credit; and the Voluntary Credit Restraint limiting commercial credit to the essential business needs and to the defense effort, banks were able to satisfy the requirements of constructive and worth-while purposes with little inconvenience to anyone.

With public and governmental cooperation, through measures of economy, thrift, sensible living and productive endeavor, there should be sufficient bank credit available during the presently pictured period of emergency for needful civilian purposes and for our defense program.

While our policy of "Butter and Guns" will lean in the direction of guns during the next two years, unless



and regular collections to assure a pay check corresponding to sales.

To assist our salesmen we keep watch of our accounts. We advise with them when we see an account becoming past due and in some cases assist them by a telephone call or letter reminding the customer his account is overdue and should be paid.

Because the Cleveland Bureau operates from every angle for the benefit of its members and includes the finest collection service in the country, we refer our inactive collection accounts to them promptly while there is the best chance to recover. Our recovery experience has been most gratifying.

In review we have proved to our industry that to control credit losses we must:

1. Cooperate with our Bureau and our fellow merchants through them.
2. Investigate *before* extending credit.
3. Maintain a constant control on all questionable accounts.
4. Educate our salesmen that it is as important to collect as it is to sell and that a paid-up customer will buy more than one whose accounts are past due.
5. Through our salesmen, educate our customers that it is easier to pay promptly according to terms than to worry about an overdue balance.

the international situation worsens appreciably, our defense aims will be accomplished with what freedom-loving people should regard as a minimum of sacrifice. The task we face is feasible but not easy. It will require tremendous effort. Bank credit is ready to do its part.

## MORE SALES... Through Charge Customers

**We Can Get You**

Write today for full details!

**25 OR MORE**  
*New Charge Customers*  
**EVERY DAY!**



**A. J. WOOD & COMPANY**  
1518 Walnut Street, Philadelphia 2, Pa.  
MARKET • OPINION • ATTITUDE Research

Please Mention The CREDIT WORLD When Writing to Advertisers





## Credit—A Business Builder

Foster R. Close

Credit Manager, Wm. Taylor Son & Co., Cleveland, Ohio  
Trustee, The Credit Bureau

MORE PEOPLE are using credit than at any other time in our country's history. At the turn of the century the average man paid cash for his purchases in retail stores. Instalment credit was rare. It was a number of years later that this popular form of credit became so common. It is not difficult to realize how the sale of automobiles, television, radios, and household appliances would drop without the monthly payment plan. The popularity of credit now and in the years to come makes the job of the credit man more important than in the past.

During the past few years there has been a rather general deterioration in the treatment of customers. It has not been confined to the younger set of employees as it includes the older people who should know better. Today we have strong competition. This competition is in merchandise and service. Comparable merchandise can be bought in any good store and at the same price. The lion's share of business is going to the store where goods are most attractively shown and where service is the best.

One of the most important service departments is the Credit Department. We have nothing to sell but service. Our job is to serve so well that we will build mountains of that intangible thing called good will. It is the duty of the credit manager to steer the credit ship carefully.

This can be done by careful selection and training of personnel which is a human relations problem. Members of the credit department must have the ability to get along with customers and co-workers.

We all know that many times a customer's first contact with a store is through the credit department. It is important that this introduction be a pleasant and cordial experience. Interviews for new accounts should be taken in a conversational way rather than as an interrogation which suggests the possibility of dishonest motives. We should create the impression that we simply want to confirm our belief that the applicant is honest and a desirable charge customer.

I believe it is important to develop as customers the young people who are just establishing themselves. They are our future credit customers. It is our problem to explain terms and the importance of prompt payment. This should be done when the account is opened instead of waiting until it becomes past due. If we act as counselors and stress the importance of a good-paying record, the account will always be open to buy and will result in a profitable account. We will then be a real asset to our establishment and a producing department.

*In Cleveland it's...*

# BURROWS

## for OFFICE FURNITURE and OFFICE EQUIPMENT

*Cleveland Dealers for—*

**"ART METAL" All Steel Office Furniture • "MOSLER" Safes  
• "LEOPOLD" Fine Wood Desks • "JOHNSON" Chairs, and  
Many Other Nationally Famous Lines of Office Furniture!**

### EXPERIENCED OFFICE PLANNING COUNSEL

Our staff is trained and experienced in office planning. Let us show you how you can increase profit with office modernization. Just dial: TOWER 1-1400.

No obligation, of course.

*Serving Business and Industry in Northeastern Ohio Since 1873!*

SHOWROOM IN BURROWS' 419 EUCLID AVE. STORE (Second Floor)

Phone: TOWER 1-1400





# Newspaper Credit

**A. R. Peterman**

**Transient Credit Manager, Cleveland Plain Dealer, Cleveland, Ohio**  
**President, District Five, National Retail Credit Association**  
**Trustee, The Credit Bureau**

GRANTING CREDIT on advertising in the newspaper business is unique and different from any other type of business in the country, inasmuch as we are dealing strictly with intangibles; something that is here today and gone tomorrow.

Almost all of the nationally advertised products emanate from reliable advertising agencies doing business as independent contractors. For this reason, the newspapers bill these agencies direct for this business and pay their agency commission for the service rendered. The credit risk is almost nil with the greatest majority of the advertising agencies having recognition from reputable sources established to determine which agencies are entitled to payment for their service.

Our credit problems are more or less confined to the small businessman and individuals. It is here where caution is exercised in the extension of credit. It is our policy to get a credit report from our Cleveland Retail Credit Men's Co., on each new contract advertiser. Our credit terms are then guided by the contents of that report.

In extending credit in our Classified section, we have an entirely different problem. The general public, more or less, considers a newspaper as a public servant. Therefore, it is our policy to make our columns accessible to

them as conveniently as possible. In so doing, we publicize the fact that if a person has a baby buggy or a \$25,000 house for sale, all that he or she has to do is to go to the nearest telephone, call their ad in and we will charge it.

Naturally, there is a big element of risk in being so liberal, but on the other hand we still believe and have proof that 98 per cent of the people are honest. In our collection procedure of transient classified advertising, we send an invoice immediately after expiration of the ad with an enclosure thanking them for their advertising and stating that credit on Want Ads is extended as a convenience and that a check by return mail would be appreciated. Approximately 75 per cent of the advertisers comply with this request. We then set up a definite follow-up collection effort every 15 days on the balance of unpaid accounts. Since a great majority of the accounts are small, we find stickers or letter to be very effective.

If the account is not paid within five months, it is turned over to the Collection division of The Credit Bureau, who incidentally do a wonderful job of collecting. We have found by pursuing the above policy that we do attract new readers to our paper, thereby increasing our circulation which in turn is the determining factor in establishing advertising rates.

## Credit "Operation" in a Hospital

**Remington Peck**

**Treasurer, Cleveland Clinic, Cleveland, Ohio**



PERHAPS one of the greatest changes in modern times has been the realization, on the part of the hospital authorities, of the importance of proper costs, payment of comparable wages and receipts to cover costs. Hospitals are aided in taking care of the needy by gifts and grants from individuals, Community Funds and various state agencies.

The greater number of all hospital patients are those who can and wish to pay for services received. In the Cleveland area, over 70 per cent of such patients carry Blue Cross or other forms of insurance coverage. This method has been a great aid to both patient and hospital. A hospital credit department must be acquainted with all methods of insurance and be able to assist the patient in understanding the policy benefits and to process the claim in the quickest time. Hospitals try to have income equal costs, meet their payrolls and pay supply and service bills promptly. Both the Blue Cross and insurance

companies cooperate so that funds due the hospital and patient are paid promptly.

Many substantial people find, through no fault of their own, that the period of their hospital stay extends beyond the Blue Cross or insurance coverage and ready cash is not available. Here the skilled, sympathetic credit executive can acquaint the patient's family with facilities of the banks that will advance the money at current interest rates. The patient will contact the bank of his choice and, if necessary, the situation will be confirmed by hospital, who will receive payment.

As is usual in all credit management, there are a small segment who feel they cannot pay the cost of services. In such instances the Credit Bureau, through their reporting division, enables a proper evaluation of the situation. Should it become necessary, we place the account with them for attention and have found the Collection Division of the Credit Bureau tactful and efficient.



THIS PIECE of special equipment in the Credit Bureau consists of a telephone board with direct lines and teletypes to the members. All operators have immediate access to files and give file information without delay to those using this special equipment. At the present time, this section services banks, finance and loan groups.



THIS IS another section of the Trade Reporting Department showing four of the special flash reporting boards in operation. Look-up girl, assistants to the operators, are at the files. The boards are so equipped that during rush periods, at any season of the year or any time of the day, three additional operators may be added to each section or board.



THIS VIEW gives a sample of the sections in the Collection Division. This division turned uncollectible bills into over \$400,000 in cash for members in 1951. Details of operation involve the retention of customer good will which is stressed in every step of collection work. Legal action, when required, is referred to counsel of the member's choice at their specific instructions.

# The Cleveland Central



Gordon W. Gray

## Cleveland Management

In June, 1952, Cleveland's Retail Board and Credit Bureau will have suffered 35 years under one directing head W. H. (Bill) Gray. A few years ago Bill made a kid-glove move to retire. This on the basis of time wanted to get acquainted with his family and to do as he pleased. The move—and Bill—was quashed by question of a top executive as to "what are you now doing?"

To keep the record clear, Mr. Gray remains with the Retail Board as President and Secretary, also in the capacity of Secretary of the Credit Bureau.

The active manager of the Bureau is Gordon W. Gray. He started with the Bureau as a messenger boy in 1923. Sweeping out the place was one of his first part-time or school jobs. Gordon has been a regular staff member since June, 1931, when he graduated from Western Reserve University. In 1935 he received his Law degree from John Marshall School of Law and was admitted to the Ohio bar in 1936.

In connection with his work at association headquarters, "G. W." also is Assistant Secretary of the Retail Merchants Board. Cleveland feels well fortified in its association executive department and looks forward to even greater progress in the next three (3) decades.—*Joseph L. Fowler, President, Cleveland Retail Credit Men's Company, and Lee R. Kolb, Chairman, Retail Merchants Board.*

## Collecting \$1,000 Plus A Day



Frank E. Sherod

FRANK E. SHEROD has served as Chief Executive of the Cleveland Bureau's Collection Division since its inception on July 1, 1926. He left the field of retail store management, with previous credit and collection experience, to enter cooperative association work.

In 1951 his Division salvaged from old and threadbare accounts \$400,000. Asked how it was done, Manager Sherod gave an answer clipped as short as his mustache. "Work," he said. Then he added that membership help, with a good staff in the Cleveland office, accomplished the 1951 results.

# Reporting Office

## 136 Years of Service

**William H. Gray**

**Catherine Doody Bartlett.** Immediately after graduation from Notre Dame Academy in 1922, Catherine Doody Bartlett entered the Trade Reporting Department of the Credit Bureau. Quickly going to the top in her work, she has been instrumental in the progress of women in retail credit. She organized and served as the first President of the Women's Credit Club in Cleveland and, in addition, served as President of the Credit Women's Breakfast Clubs of North America. In 1951, she supervised the handling of approximately 600,000 reports.

**William R. Bowen.** William R. (Bill) Bowen, General Service Manager, has been on the job since 1922. He has a wonderful knowledge of credit reporting in the Cleveland trade area from the geographic and personal angle. He participates in National, state and local association work to the fullest extent.

**Walter J. Boll.** Mr. Boll came to the Credit Bureau in 1942 direct from the office of the United States Secret Service. His task is to slow up all types of fraud normally perpetrated on retail and financial institutions. Bad-check passers are a particular hobby of his and they experience rough going in Cleveland.

**James H. Brennan.** In charge of the Special Report Department, which rendered 116,370 reports in 1951, Mr. Brennan came to the Bureau as a file clerk in 1929. To make sure that all members receive service from this department, we also have in our employ Mrs. Brennan. She does an excellent job of checking on her husband.

**Ruth K. Dening.** Credit Bureaus and other associations necessarily have a large amount of detail work. The Cleveland office auditing department is in charge of Ruth K. Dening. She started her work in the Bureau in 1934 and reached the top post in the department in 1948.

**Yvonne K. McGlone.** Top management has a few small tasks to perform other than that of drawing regular pay checks. There are daily meetings which include association affairs, civic and committee work of a varied nature. Advertising, promotion, purchasing and membership contact is centered at this point. In the Cleveland office this work has been handled by Yvonne K. McGlone since 1927, along with two assistants.



THERE ARE seven of these special-built stations in the Trade Reporting Department. The alphabet is divided many times and this station may be serving members with applicants' names beginning with A and B. Operators have files within arm's reach and produce a record from which members get an immediate verbal look-see or résumé of the subject's paying habits. Each board will accommodate six operators and is in charge of a supervisor. Many members have direct telephone lines to these boards and dial direct any desired section of the alphabet without going through the main exchange or the PBX.



THIS IS a view of a part of the Special Report operation. This shows investigators and others working within the office. In addition there are investigators used entirely on the outside and other assistants doing file, clerical and stenographic work for the department.



Catherine Bartlett

William R. Bowen

Walter J. Boll

James H. Brennan

Ruth K. Dening

Yvonne K. McGlone

# *Greater Profits on*



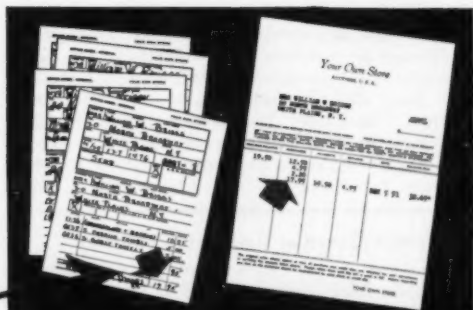
**RECORDAK**

(Subsidiary of Eastman Kodak Company)

originator of modern microfilming—and its application to retailing

# Charge Accounts

... when you use this simplified billing system



**You're not getting maximum profits now** if your billing clerks are duplicating the sales staff's record keeping—describing and listing all purchases on charge (or deferred payment) statements.

You'll be surprised how much this duplication is costing you. *And it's so unnecessary!*

With Recordak Photographic Billing, your clerks post only the sales check totals . . . plus any credits or returns. Further description is unnecessary...because the original sales checks are micro-filmed (for the store's record) and sent along to the customer as part of the bill.

## Now look at your savings

Your billing staff can handle many more accounts . . . with greater accuracy; can keep ahead of schedule without expensive overtime—even during peak periods. Furthermore, your billing machine requirements are reduced as much as 75% . . . and there are savings in stationery, too.

## Recordak Photographic Billing also gives you . . .

... **a better bill** . . . one that answers customer-questions in advance . . . that tells who bought what . . . at what price . . . and where the merchandise was sent. Everything there—authorized by signature!

... **a better record** . . . a photographically accurate and complete history of all customer items that can't be altered without detection . . . that can be vault-stored, if you wish, in as little as 1% of the space the originals would require. *Important protective features* . . . that have led many insurance companies to grant lower accounts-receivable premiums to Recordak-equipped stores.

... **a better adjustment service** . . . There are fewer questions to begin with—but should any arise, they're settled quickly. Your clerks have compact microfilm records at their finger tips . . . can flash the whole story—enlarged to convenient reading size—on the screen of the Recordak Film Reader.

**Write today** for a free copy of "Make Your Sales Checks Work For You." It lists the advantages in stores of every size—gives details on the complete line of Recordak Microfilmers now offered on an attractive purchase or rental basis.



### MAIL COUPON FOR FREE BOOKLET

Recordak Corporation  
(Subsidiary of Eastman Kodak Company)  
444 Madison Avenue, New York 22, N. Y.

RI-4

Gentlemen: Please forward a copy of  
"Make Your Sales Checks Work For You."

Name \_\_\_\_\_ Position \_\_\_\_\_

Company \_\_\_\_\_ Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_



Meetings  
ELECTIONS

# NEWS ITEMS

Personal and  
OTHERWISE

## Collection Program at San Francisco

The Associated Retail Credit Men of San Francisco, one of the oldest units of the N.R.C.A., invited the Adjustment Department of The Credit Bureau to assume responsibility for presenting a collection program at their recent Annual Meeting, January 17, 1952. Under the leadership of Frank T. Caldwell, General Manager of the Bureau, the Collection Department staff did a most excellent job of portraying eight separate situations arising in the course of collection procedure. Each skit was designed to get over an educational feature that would aid membership both in originating accounts and in method of collection. Kay Brownlie of the Bureau prepared some interesting dialogues. Facilitating the presentation was the wholehearted cooperation of the Pacific Telephone & Telegraph Company whose Credit Manager, Joseph A. Lopez and Technician James Tudor, did a most able job of handling the public address controls to which a telephone system was connected.

Elected to the Presidency of the Associated Retail Credit Men of San Francisco was Albert J. Clarke, Credit Manager of The Emporium. Joseph A. Lopez, Credit Manager of the Pacific Telephone & Telegraph Company, was elected Vice President, while Charles W. Doran, Manager of the Reporting Department of the Retailers Credit Association of San Francisco, was re-elected Secretary. Charles J. Benson, Assistant General Manager of Retailers Credit Association, received re-appointment to the post of Treasurer. Four Directors were duly installed: George E. Paterson, Credit Manager of Raphael Weill, Louis G. Williams, Assistant Credit Manager of W. & J. Sloane, Dan Rowlands, Credit Manager of Schwabacher-Frey, and C. K. "Jack" Hamilton, Credit Manager of Moore, Ltd.

Over 130 members enjoyed this educational program and David Blair, Credit Manager of H. Liebes & Co. and retiring President of the Association, received the unanimous thanks and appreciation of the group for his splendid leadership. As a token of their esteem, he was presented with a handsome wrist watch. He has been one of the outstanding District Membership Chairmen and has achieved great success in that role.

**Legally approved Collection  
forms do the job, see  
page 27,  
January CREDIT WORLD**

## Leonard Shultz

Leonard Shultz, advertising representative of The CREDIT WORLD, died suddenly February 1, 1952. For over 20 years he had been selling advertising for publishers, serving consumer, trade, industrial and export fields. Since 1947 he maintained his own office and represented The CREDIT WORLD since 1950. He was Secretary of the New York Masonic Lodge and had a wealth of friends among advertisers and advertising agencies.

## District Eleven at Berkeley, California

Major details for the District Eleven of the National Retail Credit Association to be held at the Claremont Hotel, Berkeley, California, April 27-29, 1952, have been completed. According to M. K. Magruder, Publicity Chairman, an outstanding group of speakers have been engaged for this event. Some of them are: Frank Beckman, Beckman-Hollister Co., San Francisco, Calif.; James M. Dungan, Salinas, Calif.; President, Associated Credit Bureaus of the Pacific Southwest; E. A. Mattison, Executive Vice President, Bank of America, San Francisco, Calif.; Eric Stanford, Vice President and Treasurer, I. Magnin Co.; and Mrs. Lucille Drew, Long Beach, Calif., President, Credit Women's Breakfast Clubs of District 11.

## Positions Wanted

CREDIT MANAGER with strong department store background in credit sales promotion, operating methods and expense control wants connection with live progressive store. Will locate anywhere. If you have the opportunity to offer, I will give top results. Box 3523, The CREDIT WORLD.

Credit Manager and experienced accountant is interested in a position with a retail store or chain organization. Will locate in any part of the United States. Complete outline of qualifications and remuneration expected submitted upon request. Box 3524, The CREDIT WORLD.

CREDIT AND COLLECTION MANAGER. Eighteen years' experience all phases installments and charges, including cycle billing. Several years' credit supervisory work for large retail chain. Experienced in credit sales promotion. College graduate, currently employed, wants larger responsibility. Prefer Southeast or central Gulf States. Box 3525, The CREDIT WORLD.

CREDIT AND COLLECTION MANAGER. Over 20 years' experience in the installment field, covering furniture, appliances, jewelry, musical instruments, clothing, sporting goods, etc. Age 41, married. Active in local, district and national credit associations. Prefer Southwest, west coast or Florida. Box 3526, The CREDIT WORLD.

# LOCAL ASSOCIATION *Activities*



## Wichita, Kansas

At the annual meeting of the Wichita Retail Credit Association, Wichita, Kansas, the following officers and directors were elected: President, Fred Dunkin, Hill Electric Co.; First Vice President, Curtis Good, First National Bank; Second Vice President, Jack Shields, Skelly Oil Co.; and Secretary Treasurer, Mrs. Maude Galloup, Walker Brothers Dry Goods Company. Directors: Lloyd Banbury, Kansas State Bank; A. N. Buzzi, Allen W. Hinkel Co.; Jay C. Callaway, Woolf Brothers; Melvin Clark, Geo. Innes Co.; Tony Einsenbach, Dockum Drug Co.; W. N. Gomon, Howse Co.; Fay Sullivan, Price Auto Service; and Dr. G. E. Tilton.

## Spokane, Washington

The Spokane Retail Credit Association, Spokane, Washington, has elected the following officers and directors for the ensuing year: President, Robert Sturdevant, The Crescent; Vice President, Edward F. Brandt, Old National Bank; Treasurer, Robert Clark, George R. Dodson, Inc.; Secretary, N. M. MacLeod, The Credit Bureau; and Assistant Secretary, Melvin T. Warrick, The Credit Bureau. Directors: Gale Beard, Barton Auto; I. O. Hoffman, Union Oil Co.; Lester Peuck, Emry's; Angeline Webster, Bryan-Webster Fuel Co.; LeRoy Preston, Potlatch Yards; John Bye, Brown-Johnson; and Neil S. Davis, Rusch and Davis.

## Washington, D. C.

At the annual meeting of the Credit Bureau, Washington, D. C., E. M. Arthur, Woodward & Lothrop, was elected President. Other officers are: Vice President, Edward A. Henkel, Raleigh Haberdasher; and Secretary Treasurer, John K. Althaus, The Credit Bureau. Directors: Harry N. Aiken, Grosner's; Alan Goldenberg, The Goldenberg Co.; Benjamin Blanken, Chas. Schwartz & Son; Samuel E. Collegeman, S. Kann Sons Co.; Abe Coonin, Wm. Hahn & Co.; Elsie M. Lee, Frank R. Jelleff, Inc.; Roscoe W. Reichard, The Hecht Co.; J. P. Stedehouder, Lansburgh & Bro.; Ben Stein, Bensons Jewelry Co.; and Irving Cohen, B. Rich's Sons.

## Johnson City, Tennessee

Following is a list of the new officers and directors of the Associated Retail Credit Managers of Johnson City, Johnson City, Tennessee: President, W. F. Fine, Sterchi Bros. Stores; First Vice President, Morrell Lacy, Hannah's, Inc.; Second Vice President, Mack P. Boyer, The Peoples Bank; and Secretary Treasurer, Frank Edmonds, Credit Bureau of Johnson City. Directors: John Masengill, Masengill's; R. N. Dosser, Dosser's; Helen Morely, Paty Lumber Co.; F. B. Hannah, Hannah's; Harry Wolfe, Firestone Stores; L. O. Hale, Tennessee Motor Co.; W. F. Shurtz, Pet Dairy Products Corp.; J. H. Varnell, King's; and Kathleen Goodin, London Hardware.

## New Orleans, Louisiana

The Retail Credit Association of New Orleans, New Orleans, Louisiana, has elected the following officers and directors for 1952-1953: President, Duke D. Dalferes, Gulf Refining Co.; First Vice President, John E. Zimmerman, Sears, Roebuck & Co.; Second Vice President, Roland Ruiz, D. H. Holmes Co., Ltd.; Secretary, Ola Fayard, Maison Blanche Co.; and Treasurer, Vernon Svendsen, Godchaux Clothing Co. Directors: Harris Copenhaver, New Orleans Retailers Credit Bureau; Curtis B. Dodd, Public Finance Corp.; Thomas C. Fischer, Progressive Bank & Trust Co.; A. J. Franz, Sr., A. M. & J. Solari, Ltd.; Miles S. Gebauer, Mayer Israel; Edward C. Linn, Stevens Clothing Co.; Alex E. Maier, New Orleans Public Service; Leonard J. Raymond, Local Finance Co.; and Stanley C. Schulkens, Labiche's, Inc.

## America's Largest Manufacturers of

### CREDIT PAYMENT PASSBOOKS

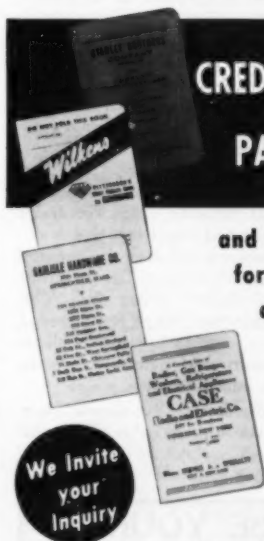
and LEDGER CARDS  
for MACHINE POSTING  
and HAND POSTING

We manufacture the largest and most complete line of credit and layaway plan passbooks and ledger cards in America—serving 5,000 credit accounts.

**WILLIAM EXLINE INC.**

1270 ONTARIO ST.

CLEVELAND 13, OHIO



We invite  
your  
inquiry

## LEONARD BERRY

**R**ECENTLY at a Credit Correspondence Clinic the matter of the business letterhead was discussed as being an important part of the total effectiveness of the letter.

Several representative letterheads were analyzed. What a vast variety of letterheads are used by stores and firms throughout the country! Some of them are excellent, others are good, but many of them would benefit by revision.

The layout and appearance of the letterhead itself has much to do with reader acceptance. Customers are strongly influenced by first impressions. If the letter's physical appearance makes a good impression, the chances are that greater reader interest in the contents will follow. Each business letter is an ambassador of the store; it represents the store. For the moment it is the store itself. It must make a favorable impression.

The letterhead should, of course, tell the name of the store, where it is located, postal zone number (if any) and the telephone number. It is surprising to note how frequently postal zone and telephone numbers are omitted. Certainly both are part of the store's identity and location and hence should appear on the letterhead.

Most credit and collection letters plead for an answer. They are designed to create action. They are expected to elicit response. Your letterhead, therefore, should make such response as easy as possible. The telephone, for instance, is a convenient and rapid way of responding. If the customer has to thumb through the directory to find your number, then the impulse to reply likely weakens and your response is postponed.

★ ★ ★

Visiting a fine apparel store the other day, I was much impressed with the fact that the same distinctive design is used on all wrappings, bags, and shoe boxes, and is also made part of the store's letterhead, and even the "counter checks" provided for the use of customers in the credit office and at writing desks throughout selling areas. This reiteration of the store's distinctive design is recognized throughout the trading area and has immense publicity value. An impression of unity and coherence is given which "sells" the store over and over again.

On this subject of letterheads and "eye appeal," how many have given consideration to the possible elimination of the reference initials such as "AA:bb" that almost universally appear at the foot of letters? Readers will

notice we seldom show them in our letter illustrations. If they appear on the originals we purposely omit them on the reproduction. Certainly if the name and business title of the person writing the letter is typed below the signature (as we recommend) there is no question about who wrote the letter. Does it really matter who typed it?

We know that in making this suggestion we are inviting criticism from many correspondents, and perhaps from some business schools. The tradition is deep rooted. Nonetheless, it is important that we develop the habit of bringing "fresh thinking to old problems," and approach all questions with an open mind. It is well for us to re-evaluate constantly all the things we do with an eye to improvement and economy.

I think all will agree that the letter's appearance, at least, is improved by the omission of reference initials, to say nothing of the saving of an average of five type-writer strokes per letter. Do any advantages of the practice outweigh these considerations?

It seems, too, that the prevalent procedure of repeating the store name above the writer's signature could profitably be eliminated. The letterhead itself should clearly give the name of the store. The name of the person, and his or her business title, properly form part of the closing, but consider the time and effort that could be saved by omitting this unnecessary repetition of the store's name.

One more point on this "eye appeal" angle of correspondence. The envelope is surely an important part of the letter. Occasionally, however, paper of inferior quality is used in the envelope or even "odd" envelopes are sometimes used while the letter itself is on fine paper. Not often does this occur, it is true, but often enough to warrant mention. The envelope should match the quality of the letter paper for maximum effectiveness. Care and accuracy in typing the name and address on the envelope is also important in the total impression. Often this part of the letter betrays haste and carelessness.

As the credit department generally makes the largest single departmental contribution to the total outgoing store mail, credit managers should be vitally interested in the *appearance* of their letters as well as in the *content*. Effective and productive letters are attained by painstaking devotion to each small detail.

### This Month's Illustrations

All our letter illustrations this month are sent to us by business firms and stores in Cleveland, Ohio, the city that this issue of *The CREDIT WORLD* honors. Space forbids individual mention or comments on the five illustrations. However, our readers will find them to be excellent examples of good credit department communications. Many thanks to our Cleveland friends for their fine cooperation.

**INCREASE YOUR  
PROFITS**  
Read page 27 in the  
**January CREDIT WORLD**

*We'll appreciate it .....*

If ... while this account remains in balance you ... you'd  
make out a check and send it to us.  
Should payment be already on the way ... please  
accept our thanks.

Cordially,

*T. HIGBEE*

YOUR attention is respectfully directed  
to the terms on which credit is  
extended ... accounts are considered  
due in full within thirty days from  
presentation of statement.  
Your cooperation will be appreciated.

**The O. A. Dean Dairy Co.**  
211 Market Street  
Cleveland 15, Ohio

Analysis of Account	
Total	

**CLEVELAND PLAIN DEALER**  
CLEVELAND, OHIO

Mrs. John C. Customer  
600 Main Street  
Nytown, State

Dear Mrs. Customer:

The charge we show on the next page is  
so small that we are sending this very  
little statement to bring it to your  
attention.

Now that we have done this, we are con-  
fident that you will send us your remi-  
ttance.

Your cooperation is appreciated.

Yours very truly,

*A. R. Peterson*

Division of Accounts

The  
**Wm. Taylor Son & Co.**  
Cleveland 14, Ohio

February 15, 1932

Mrs. John C. Customer  
600 Main Street  
Nytown, State

Dear Mrs. Customer:

Here's a little reminder - sent you in our  
usual friendly spirit:

Your Taylor charge account  
is \$60.00 overdue.

Do take care of this right away, won't you  
please?

Cordially yours,

*F. A. Close*

F. A. Close  
Credit Manager

**The Halle Bros. Co.**

OFFICE OF THE  
CREDIT MANAGER

1212 BROAD AVENUE - CLEVELAND 14, OHIO

BRANCH OF THE CLEVELAND  
RETAIL CREDIT BUREAU COMPANY

February 15, 1932

Mrs. John C. Customer  
600 Main Street  
Nytown, State

Dear Mrs. Customer:

Welcome to Cleveland! We want you to enjoy  
living here and know you will find the services  
of The Halle Bros. Co. helpful.

To facilitate shopping, we have opened a charge  
account for you and will soon send you a Charge-  
Plate for use in our main store or any of our  
branch stores. Please present this plate for  
ready identification whenever you make a charge  
purchase, particularly one which is to be delivered.

Our telephone and mail order departments are  
planned for your convenience when you cannot  
shop in person. Any service you ask of us, no  
matter how small, will receive our careful  
attention.

Since only transactions satisfactory to you can  
be satisfactory to us, please be sure to tell  
us when we have not fulfilled your expectations.

Yours very truly,

**THE HALLE BROS. CO.**

*C. G. Evans*

C. G. Evans  
Credit Manager



# CREDIT FLASHES

## Cleveland's Official Family

Following their annual meeting, the Cleveland Bureau, on February 21, 1952, completed its organization with the election as President, Joseph L. Fowler, The May Co.; Vice President, Clyde C. Kortz, The Higbee Co.; and Treasurer, J. G. Ost, Cowell & Hubbard Co. Reappointed Secretary is W. H. Gray and as General Manager and Assistant Secretary, Gordon W. Gray. Bill Gray, in June, will complete 35 years with the Cleveland Group. His son, Gordon, a member of the Cleveland Bar, has been associated as next in line in excess of 20 years and is in the 20-25-year classification of the Bureau's Five Plus Club.

## Cleveland's List of County Officials

Cleveland's combined organizations, The Cleveland Retail Credit Men's Company, The Retail Merchants Board, and the Credit Bureau of Cleveland, publish annually a list of county officials. It is entitled "Officials in Cuyahoga County," and, in addition, the national and state officials representing their district have also been added. It has been an excellent piece of promotion. They are not only supplied to the combined membership but are sent to libraries, schools and like institutions. A sample will be sent to any of our members upon request to the Credit Bureau of Cleveland.

## District Seven at Topeka, Kansas

The District Seven conference of the National Retail Credit Association and the Credit Women's Breakfast Clubs of North America will be held at the Hotel Jayhawk, Topeka, Kansas, March 23-25, 1952. The theme of the conference will be the honoring of Royce Sehnert, President, National Retail Credit Association and Ralph B. Kearns, President, Associated Credit Bureaus of America, both of Wichita, Kansas. Capable speakers and discussion leaders will highlight the program and the featured entertainment will be the banquet when Sr. Roberto de la Rosa, St. Louis, Mo., will deliver the main address. A new feature at this conference will be a "top management panel" discussion comprising executives in the field of credit, banking, finance and related subjects.

## Largest Circulation of The CREDIT WORLD

While the National Office is happy to honor Cleveland, Ohio, with this issue of The CREDIT WORLD, we are also happy to announce that the circulation of this issue is the largest in the history of the National Retail Credit Association—35,500.

**For "SLOW PAYS &  
WON'T PAYS"  
See page 27 in your January  
CREDIT WORLD**

## Coming District Meetings

**District Three** (Florida, Georgia, North Carolina and South Carolina) and **District Four** (Alabama, Louisiana, Mississippi and Tennessee) will hold a joint annual meeting at The Atlanta Biltmore, Atlanta, Georgia, April 20, 21, 22, and 23, 1952.

**District Seven** (Arkansas, Kansas, Missouri and Oklahoma) will hold its annual meeting at the Hotel Jayhawk, Topeka, Kansas, March 23, 24, and 25, 1952.

**District Eight** (Texas) will hold its annual meeting in San Antonio, Texas, May 18, 19, and 20, 1952.

**District Nine** (Colorado, New Mexico, Utah and Wyoming) will hold its annual meeting in Albuquerque, New Mexico, April 20, 21, and 22, 1952.

**District Ten** (Alaska, Idaho, Montana, Oregon, Washington, Alberta, British Columbia and Saskatchewan, Canada) will hold its annual meeting at the Winthrop Hotel, Tacoma, Washington, May 18, 19, and 20, 1952.

**District Eleven** (Arizona, California, Nevada and Hawaii) will hold its annual meeting at the Claremont Hotel, Berkeley, California, April 27, 28, and 29, 1952.

## Wisconsin Annual Meeting

The eighteenth annual state convention of the Wisconsin Retail Credit Association will be held at the Foeste Hotel in Sheboygan, Wisconsin, April 20, 21, and 22. The convention committee, with Harold Seichter of the Citizens State Bank, Sheboygan, as chairman, has been making extensive plans to accommodate approximately 300 members and to present one of the finest programs in the history of the Association. The speakers will be top men in the field of retail credit and will deal specifically with current problems of credit granting. Credit clinics in specialized fields will be a new feature added to this year's program.

## Help Wanted

CREDIT MANAGER for Specialty Shop doing approximately one-half million dollar volume, located near Chicago. Will be in full charge of department. Owner is desirous of expanding the credit operation. Write fully, in strict confidence, details of experience, education, etc. Box 3522, The CREDIT WORLD.

## For Sale

Sixteen files each containing 8 double drawers holding cards 4 by 6 inches, Grade "A" quality, olive green color, brass hardware, made by Brown Morse Co. Pre-war heavy gauge steel, condition excellent. New today would cost \$208.88, our price F.O.B. Dallas only \$125.33. Twenty-one files same size as above but containing 9 double drawers, made by the Watson Co., who manufacture equipment for leading banks of America. With lowest discount would cost \$235.00 today, our price only \$167.50 F.O.B. Dallas. Merchants Retail Credit Association, 2112 Jackson Street, Dallas, Texas, Telephone, Riverside 5868.





## Cleveland Bureau's Five Plus Club

The Five Plus Club in the Cleveland, Ohio, Credit Bureau is composed of staff members who have been with the Bureau five years or more. Each five years a pin is presented to the member advancing in their classification and on reaching the twenty-fifth year a diamond-studded pin, plus a sizeable check, is received by members of that class. Members of the Five Plus Club are, in fact, the backbone of the organization. The 43 now included cover a total service of over 600 years. Ten additional are eligible to enter the five-year classification during 1952. The photograph above shows Manager Gordon W. Gray presenting the diamond pins and checks to Pearl DeForce, Miriam Hardgrove and Yvonne K. McGlone, entrants to the twenty-five year group as of February, 1952.

## Annual Meeting at Cleveland

Shown below is a picture of the 54th Annual Meeting and dinner of the Cleveland Credit Bureau held at the Carter Hotel, February 6, 1952. This shows only a portion of the gathering as the room is surrounded by a large gallery filled with guests. In excess of 600 members and their credit department staffs were represented in spite of a snow storm that evening. This meeting proves one of the big events each year in the promotion of good fellowship and better understanding of individual and unified retail credit problems. Note the absence of the usual formality in speakers' table. The Cleveland annual party is a homey affair. Leonard Berry, Educational Director, National Retail Credit Association represented the N.R.C.A. at this annual affair.





## Profit and Loss Account Procedure

**S**EVERAL members have asked us for information about the handling of Profit and Loss Accounts. A survey made recently brought forth the following results. Incidentally, more than one of our contributors said that the term "P & L Account" should be defined. They pointed out the vast difference of opinion that exists over what actually constitutes a P & L Account. This definition is offered by one member: "An account that is no longer considered to be a part of the Accounts Receivable, and therefore should not be carried as an asset on the books of the company." Do you agree with this?

In our survey the first question was: *Please tell us your charge-off policy.* Fourteen out of 43 said they charged-off doubtful accounts every half year; 11 yearly; 2 quarterly; 4 monthly; 4 immediately account deemed P & L; 6 review all doubtful accounts at irregular intervals; and 2 transfer to a Suspense Ledger before transferring P & L.

Question two was: *Do you believe it profitable to maintain a collection follow-up on P & L Accounts?* Thirty-one said "Yes," 12 said "No."

Question three was: *Do you follow up P & L Accounts on any kind of regular schedule?* Thirty said "Yes," 13 said "No."

Question four was: *Is such collection follow-up work done by the members of your regular collection department? If not, then by whom?* Eighteen handled entirely in Collection Department; 3 by the Credit Manager; 7 by outside agencies and attorneys; 6 credit bureau collection service; 4 maintained special departments, and 5 did not specify.

Here are some specific comments on the charge-off policy.

**Reading, Pennsylvania**—Approximately 1½ per cent of outstanding accounts charged off at the end of each year. This naturally takes in the most delinquent accounts at that time.

**Minneapolis, Minnesota**—When any part of the account is 9 months old, charge off entire balance to P & L.

**Cleveland, Ohio**—Charge off each day as we go along on the basis of loss of confidence. We observe no definite schedule.

**Denver, Colorado**—Charge off once per year on December 31 only what Credit Manager considers uncollectible accounts, and fraud charges, and only after every collection effort has failed.

**St. Louis, Missouri**—We charge off every account on which there is reasonable doubt, due to many circumstances, removals, domestic trouble, adjustments, unemployment, disabilities, etc., and we then use an imaginary line taking into consideration those accounts that are owing prior to six months and where payments have been few and far between. Each account is analyzed before decision is made.

**Houston, Texas**—We charge off all accounts on which no payment has been made for 6 months, however, some accounts such as bad checks, fraudulent purchases, etc., charged off immediately.

**Boston, Massachusetts**—All of our accounts without exception, whether they be large or small, go to our attorney for collection if no payment appears within a period of 6 months. After the attorney has worked on the account, should he advise charging it off, we do so without hesitation. We are fortunate in having an excellent man in this field. We set a limit of one year from the time the account goes to the attorney and, if no action takes place, it is automatically charged off to P & L. This same attorney, however, who has been doing our work for 25 years, quite often collects an account 2 or 3 years after it has been charged off.

**Louisville, Kentucky**—Accounts are charged off when practically sure they are uncollectible, or if there is reasonable doubt.

**Cincinnati, Ohio**—Believe term P & L should be defined for clarity. In our store we transfer accounts at 6 months to a suspense file where they are worked and worked hard! The term P & L with us means accounts that are transferred out of suspense and assigned to the Credit Bureau or an attorney for collection.

**Indianapolis, Indiana**—Do not have a definite charge-off policy. Use the same operation on these as we do on our collections, namely each account is handled individually as to family connections, length of time on books, previous paying habits, etc. In other words we do not throw them in a hopper when they come to a certain past-due stage.

**Rochester, New York**—No set policy by age. When all our own efforts exhausted we charge off at same time we place with attorneys, maybe 6 months to a year, depending upon circumstances and history of account.

**Chicago, Illinois**—30 day charge & instalment accounts reviewed twice a year July 31 and January 31. Accounts on which no payment has been made for six months or which are known to be difficult to collect because they are frauds, load-ups, skips, etc., are charged off to P & L.

**Columbus, Ohio**—We transfer accounts from active files, to suspense file and out of suspense file to the P & L files. The 30 day accounts are placed in suspense, when six months old and charged to P & L when become twelve months old. Instalment accounts are placed in suspense when four months past-due, charged to the P & L when six months past-due.

**Pittsburgh, Pennsylvania**—The unpaid account continues to receive statements, collection letters, phone calls and personal visits up until one year after the account becomes delinquent, then charged off. Usually these accounts are reviewed before Income Tax Returns are filed. At this time some accounts

aged six months may be charged off. Treasury Regulations permit the taxpayer to charge the account off whenever deemed uncollectible. When account charged off, we notify Credit Bureau.

**Spokane, Washington**—We transfer to a Suspense Account and Control immediately. We determine an account is uncollectible, if taking bankruptcy, probate claim filed, sent to collection attorneys, etc. The account is followed from a collection card at regular intervals as the collection warrants. We charge to P & L, the entire Suspense Account at the end of the year unless a recent payment on the account, or we have noted the account will be paid, etc.

*Do you believe it profitable to maintain a collection follow-up on P & L accounts?*

**St. Louis, Missouri**—Don't believe a collection follow-up is profitable. Collection Agencies are much better equipped to handle this job, although the agency must be watched carefully.

**Spokane, Washington**—A criticism of our handling P & L accounts could be that we retain them too long in this office before placing with collection attorneys. This I believe, however, is offset by the collection fee that we save on many accounts by handling the account, even if charged to P & L, through our office.

**Oakland, California**—A methodical and vigorous follow-up procedure will salvage 75 per cent of P & L accounts. The experience of the Collection Agency is not quite so high for obvious reasons.

**Cleveland, Ohio**—Most accounts which have been charged off are already with our collection attorneys, and they follow up the customers from then on, on general principles. We follow up the attorneys.

**Chicago, Illinois**—We follow up the accounts charged off to P & L very closely and recover a substantial amount from their collection.

**Washington, D. C.**—It is profitable to maintain a collection follow-up on P & L Accounts. In fact, we usually recover from 40 per cent to 50 per cent during the following year, of the amount which was charged off the previous year.

**Long Beach, California**—It is profitable to maintain a collection follow-up on Suspense Accounts. Those accounts are followed up at each two-week period, and again reviewed to determine whether we will continue to work on them or place them in the collection department of the Credit Association.

**Pittsburgh, Pennsylvania**—Unless the number of P & L accounts are of great number, and the debtors have responsibility, the expense of a continual follow-up beyond 3 years, considering wage time, stationery, postage and collection commission fees, has, in my experience, been too costly, excepting on accounts of \$100.00 and more. After 2 years accounts of \$15.00 and less should be ignored in follow-up as they are already in the files of the Credit Bureau.

*Do you follow up P & L Accounts on any kind of regular schedule?*

**Cleveland, Ohio**—We "tickler" or "daybook" larger balance accounts. Then as we get time here and there, we inquire. Beginning with the end of this year we are going to

send statements on all accounts in our charged files. We plan to do this seasonally or possibly annually.

**Denver, Colorado**—Occasionally check Collection Agency on accounts placed in their hands for collection.

**St. Louis, Missouri**—All such accounts should be handled by the Credit Manager or closely supervised by him, due to the necessity of giving special attention. Also the viewpoint and the approach would be different from that given previously; in other words, the difference between formality and specializing.

**Houston, Texas**—Handled through Collection Department—at least once per month or oftener if necessary.

**Boston, Massachusetts**—The number of accounts charged off to P & L in any one year represents about 1/4 to 1 per cent of the total Accounts Receivable. We know from experience that 95 per cent of these accounts could never be collected. We see no point in spending any money whatsoever in trying to collect the other 5 per cent. However, perhaps once a year some outside collection agency will plead with us to give them some old P & L accounts and let them work on them. We have done this a number of times with exceedingly poor results.

**Louisville, Kentucky**—If the P & L account has been given to our attorney, we rely on him to follow up on a regular schedule, or if it has not been given to the attorney, our Collection Department conducts the follow-up.

**Chicago, Illinois**—P & L accounts are assigned to my best collection people and are given an intensive collection effort.

**Columbus, Ohio**—We have a regular collection schedule that we follow on our P & L accounts and continue sending them a monthly statement until such time that they are placed with an outside Collection Agency, or with an attorney for suit.

*Is such collection follow-up work done by the members of your regular department? If not, then by whom?*

**Chicago, Illinois**—Work all done by my office. Have own attorney to whom refer those accounts which must be taken to court.

**St. Louis, Missouri**—Certain number are handled by the one who ordinarily handles collections, but large proportion handled by Credit Manager whose approach would be different from that previously given and careful analysis of the previous effort is made, realizing two viewpoints better than one.

**Houston, Texas**—By the regular Collection Department plus Credit Manager. If it warrants we place claim with our legal department to file suit if necessary.

**Louisville, Kentucky**—If account given to one of our attorney agents, they do the follow-up, but sometimes it is done by our own department. In most cases, however, P & L accounts are given to our attorney for collection.

**Columbus, Ohio**—All work on our accounts, regardless of the status, are handled by our own associates until such time as they are placed with an outside agency, or attorney.

**Pittsburgh, Pennsylvania**—After we have exhausted all effort, we place account to the Credit Bureau for collection. In most cases it is not profitable, due to the fact that we have remitted the excise tax (pertains to jewelry and fur sales). Why pay out collection costs, and pay excess profit taxes on that portion that is remitted to us by the Credit Bureau? Net result we would be paying out money to collect excise tax for U. S. Government and excess profits tax on one-half collected by the Bureau.

**Want a good COLLECTOR?**  
**Read page 27 in the**  
**January CREDIT WORLD**

# ★ FOR THE SMALLER BUSINESSMAN ★

Sales Promotions—Office Procedures  
Credit & Collection Problems

## Selection and Training of Credit Personnel

**M**ANY of our smaller businessmen readers themselves handle credit and collection matters along with many other duties in the store, such as merchandising, waiting on customers, and indeed about everything else. However, as the store grows larger it often becomes necessary to delegate some of these responsibilities. Then the question of hiring comes up. Lacking a personnel director such as larger stores have, the smaller businessman himself must do the hiring.

A few days ago, after addressing a national conference of owners of plumbing, heating and hardware stores, I got into conversation with some of them. Among other things this personnel problem was presented to me. Many of them found it necessary, as business expanded, to hire one or more persons for credit and collection work. They asked what special or particular technical and personality qualifications they should look for in selecting credit and collection personnel.

It is likely that many of our members are interested in the same problem and would like to have it discussed in this column.

In hiring for retail credit and collection work it seems to me that a *good disposition*, plus a genuine and sincere liking for people should top the list of requirements. Credit and collection transactions, being so intimate and personal, must be handled with extreme care and delicacy so that customer good will is strengthened. *How* a credit matter is handled is so very important.

A warm, friendly smile and a cordial welcome will go far, for instance, in placing the applicant in the best mood for a credit interview, thus minimizing any possible embarrassment and resentment. Good-natured persistence will collect money easier and faster than harsh, angry pressure.

It is unfortunate that some credit office employees seem to lack a friendly attitude and cordial approach to those seeking credit. Many collection letters "rub people the wrong way." Actually the credit department, being the most potent good-will building department of any store, is also the place where hurt feelings and resentment are

so easily created by thoughtless, cold and wooden-faced employees. That is why it is important to have the right people there.

So in hiring, smaller businessmen are advised to seek the happy, naturally friendly type of person, placing those personality qualities above all others. It requires only the normal intelligence and technical skill to carry out credit and collection functions, but success in performance does definitely need an even disposition and constant cheerfulness and friendliness.

Next on the list of qualifications for credit and collection personnel, I would place *integrity*. Those in credit and collection work have ready access to a great deal of personal information about the store's customers. It is essential this be held in the utmost confidence and above all, that credit personnel refrain from discussing business matters with friends or when out socially. It is a great temptation, of course, to relate to an admiring group how Mrs. So-and-So does not pay her bills, when everyone else thinks she is so wonderful, but the temptation to do so must be steadily resisted. Credit office employees must possess a strong sense of integrity, and carefully hold confidences and confidential information in strictest secrecy.

Another necessity for personal integrity is the fact that credit and collection people are in charge of accounts and funds. They have a responsibility to their employers to handle those accounts and funds with every care and accuracy. Fortunately we seldom hear of credit personnel failing in this connection.

Another part of personal integrity is in the reporting on customer accounts to the credit bureau. Our entire system of interchange of credit information is based on the accuracy and reliability of the information that goes into the bureau files. If ledger information is reported carelessly or incompletely the interpretation of that information might easily lead to misunderstanding and perhaps actual loss by another merchant.

A third qualification, one of utmost importance, is *willingness to cooperate*. Cooperation is essential, with

### Plan Now to Attend THE 38TH ANNUAL INTERNATIONAL CONSUMER CREDIT CONFERENCE

THE HOTEL STATLER, WASHINGTON, D. C., JUNE 23-26, 1952

National Retail Credit Association

Credit Women's Breakfast Clubs of North America • Associated Credit Bureaus of America



coworkers, with other credit granters and with customers. Cooperation means a willingness to work matters out to the best interests of all concerned. Cooperation means readiness to see the other person's point of view and needs. Cooperation is the cornerstone of the structure of modern credit granting.

These three qualifications, *good disposition, integrity, and cooperation*, should first be sought in hiring a credit or collection person. They are essential to maximum success on the job.

Of course a degree of mathematical ability is necessary. Credit and collection work involves the use of figures, often calls for rapid mental calculations, and requires extreme accuracy. A simple transposition of numbers, easily made by one not accustomed to clerical work, can throw off a trial balance and cause much confusion and need of re-checking.

Credit office people are required to talk to customers. The ability to converse easily, with no flagrant violations of grammar and with a certain facility of expression, is desirable. In this connection, so much of today's business is transacted over the telephone that a good telephone voice is eminently important. Poor telephone manners have caused more than one customer to resolve never to call that store again! A good telephone voice should be clear, warm and easily understood.

Quickness of mind and action are also desirable qualifications. Situations arise that require rapid decisions. The employee's mind should be able to comprehend the details quickly and avoid the necessity of repetitious explanations by the customer. Along with quickness of mind goes quickness of action. Like all other departments in the store, the credit department has peak busy times. A slow-moving and sluggish person does not move with the speed necessary in order to take care of customers in rapid-fire order.

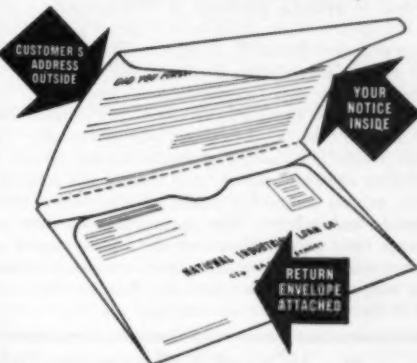
Last, but not least, good personal appearance is a great asset. Good grooming goes far to make customers more agreeably disposed to the person handling their business matters.

Some of these qualifications have been placed last, not because they are unimportant, but because the three personal attributes we first discussed are of greater significance. On those a sound foundation can be built by training and guidance. Without them, no amount of training and guidance will make an excellent credit office employee.

This matter of selection of personnel is worthy of time and effort because those to whom the businessman delegates his credit and collection responsibilities will be representing his store at a most vital point, thus creating good or poor public relations. ★★★

An invaluable training manual, one that should be in the hands of every credit and collection department employee, is **"IMPORTANT STEPS IN RETAIL CREDIT OPERATION"** by Dr. Clyde William Phelps. This is the official educational handbook of the National Retail Credit Association. Price, \$1.50. Reduced price for quantity purchases. Write for particulars, 375 Jackson Avenue, St. Louis 5, Missouri.

## THE NEW, IMPROVED *Triple-Duty* Low Cost COLLECTION NOTICE



*Now, better than ever before!*

- Outgoing envelope, notice form, return envelope . . . all-in-one piece!
- Speeds up payments, SAVES CLERICAL TIME, MONEY, POSTAGE.
- Looks just like first-class mail.
- Folds on perforation—easier to handle; easier for customer, too.
- More space for your message.

Here is the NEW Triple-Duty Envelope — an improved design which cuts handling costs and brings you better results than ever before!

Note the new "regular" flap. Looks just like first-class mail, but accepted by the Post Office at low postage rate of 2¢. More space for your message means greater readability. Fool-proof—your self-addressed envelope remains intact at all times. Makes it simple and convenient for customer to return payment promptly. Improved general appearance and more practical design simplifies handling in your office, helps delinquent accounts to remit payments more easily.

Still selling at Hodes-Daniel's low prices with reduced charges for folding and sealing. Still can be mailed for only 2¢ (or 1¢ in bulk, with permit). Still the most economical, simplest, most restful collection form on the market — in fact, NOW MORE THAN EVER, your best collection notice buy! Order today, or write for samples and further information on the NEW Triple-Duty Notice. No obligation, of course.

**HODES-DANIEL COMPANY, Inc.**

(Originators and sole manufacturers of Triple-Duty Envelopes)  
352 Fourth Avenue • Dept. CW3 • New York 10, N. Y.



## ● "Cooperative Minded"

(Beginning on Page 6.) ●

Company policies are controlled by a Board of Trustees. These men are active credit executives in representative retail, financial, publishing and like business. Thoroughly cooperative, they give freely of their time for the benefit of all.

Cleveland credit bureau policies are made by and for the members and their buying public. The order of the day is: give members what they want, when they want it, and as near cost as possible.

Proof of service is contained in 1951 operation. Over 715,000 reports of all nature were rendered and bad debts in amount over \$408,350 salvaged. There has been no rate increase to members despite terrific advance in expenses in every item entering into the operation.

Through the Retail Board and Credit Bureau there was created the "Crime Clinic" of Cleveland. The Crime Clinic is composed of representatives of law enforcement agencies, federal, state, county and municipal, banks, express companies, public utilities, stores, hotels, railroads and others. The cooperation of these men through their organization is of the highest degree and another sample of Cleveland's "community-mindedness." This activity is most successful in crime prevention and aids in the apprehension of criminals.

The Protective Division of the Retail Board and Credit Bureau is managed by a man formerly connected with and trained by the United States Secret Service. This operation is closely knitted into the Crime Clinic and supplies secretarial and clerical assistance for the larger metropolitan group. Operating over 30 years, the work of this division greatly reduced losses caused by shoplifting, check passing and frauds of a nature normally committed in and directed at retail and like establishments.

The cooperative spirit felt and exemplified in Cleveland, knitted by and into the other communities throughout the country, has caused great advancement in credit and credit reporting. In a little more than three decades we have witnessed the culmination of effort to associate similar groups into one great organization in the fight for complete, efficient service alike to credit grantor and recipients of this privilege. We now have such national, yes, international groups as the Associated Credit Bureaus of America and the National Retail Credit Association. Through their educational efforts, credit executives and heads of bureaus and reporting agencies are afforded improved facilities for serving the buying public, Mr. and Mrs. American Citizen and their families.

## ● "Credit Responsibilities"

(Beginning on Page 6.) ●

some devious method delays delivery until he is ready to give a gratuitous nod that the transaction has his blessing.

The law of averages should be working constantly with the Credit Sales Manager, just as it works with the buyer of garbage cans and stepladders. They will both make mistakes if they are worth their salt, but when they do, they should get encouragement to keep hitting the line a little harder and seek to minimize their errors with less red tape, not more.

The Credit Sales Manager should constantly, and not a little subtly, try to listen to the woes and grief of the men and women on the selling front and establish himself as their protector and friend. Salesmen do not want

"dead beats" for customers any more than the Credit Sales Manager wants them for customers of the store. These customers are admittedly the exception, but are the cause of misunderstanding between the sales force and the Credit Department. If the Credit Sales Manager just took a moment of his time to briefly explain to the salesman the condition on which an account had been refused, it would very quickly dissipate, at least greatly reduce, the wrangling and gossip on our selling floors.

There are no mysteries about doing a good Credit Sales Manager's job. The post requires men and women of intelligence who want to accept the responsibility to make their store the best in town.

### Text and Reference Books Published by the N. R. C. A.

Retail Credit Fundamentals, 318 pages . . . . .	\$5.00
Retail Credit Management, 477 pages . . . . .	5.00
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Important Steps in Retail Credit Operation, 76 pages . . . . .	1.50
How to Write Good Credit Letters, 128 pages . . . . .	2.25
Tested Credit and Collection Letters, 48 pages . . . . .	2.00
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\* \* \* \* \*

**NATIONAL RETAIL CREDIT ASSOCIATION**

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## ✦ Items of Interest From the NATION'S CAPITAL

JOHN F. CLAGETT, Counsel, National Retail Credit Association, Washington, D.C.

**Credit for Small Defense Plants.** Telford Taylor, the new head of the Small Defense Plants Administration, made his first report to Congress on January 15. He outlined steps, the aim of which is to enable small plants to get a larger share of defense contracts. He emphasized that in the field of credit Section 714 of the Defense Production Act "enacted into law a new grant of authority to the RFC to make loans to small business," on the recommendation of SDPA. "The first small business loan recommended by SDPA," was announced by Mr. Taylor two weeks later. The loan of \$80,000 for working capital was granted to a small concern at Montgomery, Alabama, for the purpose of carrying out a Quartermaster Corps contract for folding Army cots. A fund of \$100,000,000 is currently provided for loans of this type under Section 714 of the Defense Production Act. It was pointed out that the average time required "to handle loan applications is less than a week after they are received."

**New Law for District of Columbia Would Ban Court-Like Papers.** Use of papers made to resemble Court summonses, complaints or writs as collection method will hereafter be a criminal offense, punishable by fine up to \$100 if Municipal Court judges have their way. Recommendation to Congress arises from recent disclosure that Regal Clothing Company of Washington, D. C., had used papers simulating court documents to collect bills.

**Bean Soup Makes Solons Consumer Conscious.** Price increases hit Congressmen in vital spot—around the middle. As Congress convened for the new session it was met by increased prices at the House Restaurant. The Congressmen's special lunch had been increased from 75 cents to 90 cents, and a big bowl of bean soup that used to sell for 25 cents was reduced to a dainty little porridge dish at the same price.

**Consumer Protection Committee.** Rep. Javits (R. NY) promptly swung into action; proposed a bill to create a special Senate-House Committee to protect consumers from new price raids manipulated by lobbyists for the benefit of "special interests." The Committee would protect consumers when Congress takes up revisions in wage-price control legislation.

**Legislative Committee Meeting.** February 14 was Valentine's Day, but the Legislative Committee of N.R.C.A. had no sweet sentiments to send in the direction of Regulation W. Meeting that date at the Statler Hotel in Washington under the joint chairmanship of Clarence E. Wolfinger, Lit Bros. Department Store, Philadelphia, and Joseph A. White, Harris Stores, Pittsburgh, Committee passed a resolution that it should be the policy of the government to terminate control over consumer credit. It was noted that similar unanimous

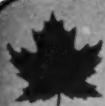
action had been taken by a number of other groups, including Bill Cheyney's National Foundation for Consumer Credit and National Auto Dealers Assn. The resolution on Regulation W stressed that there are no shortages in consumer goods at this time, durable or otherwise; that increasingly high taxes drain away any so-called excess purchasing power; and that in any event when purchase of durable goods is withdrawn or discouraged by Regulation W, the consumer spends his money on something else anyway.

Another resolution requested the Postmaster General to re-insert on the postal money order form the word "address" below the remitter's name, as was formerly the case until about four months ago. Credit departments of stores and collection bureaus and agencies, under the new form where the remitter's address is frequently left off, are experiencing great difficulty in identifying accounts to which to credit postal remittances.

**Television Unfreeze.** "Freeze" is a word often used in Washington. Its connotation may not always be exactly good. But when used with reference to Governmental action it generally signifies that when Uncle Sam clamps down hard on something "the big freeze is on." Such was the case when the FCC in 1948 clamped down on granting further television station permits. Word now comes directly from FCC Chairman Coy and other sources that the freeze will be lifted in a month or so. Mr. Coy also indicated that FCC personnel shortages and limited materials would prevent more than a few new stations in 1951.

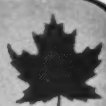
Sources at the top of the broadcast industry have recently reported that over \$700,000,000 would be invested in station facilities alone. This may be spread over at least several years. Estimates as to the future sales of TV sets vary as to numbers, but not as to the astronomical character of those numbers. One spokesman said he could not predict exact date of end of the freeze, "but I can predict the nature of the flood—the flood which is going to inundate manufacturers, labor, land-holders and others."

**Restoration of Fair Trade Laws Urged.** House Small Business Committee received testimony that restoration of Fair Trade Agreements is essential to save small business from "jungle warfare" of price slashing. Maurice Merme, Director of the Bureau of Education in Fair Trade, further told the Committee that "deceitful and misleading price cutting is not in the public interest and that small business enterprises . . . need protection against unfair business practices." He added that action by Congress to restore the legality of state fair trade laws is necessary to prevent "a new outbreak of vicious price wars." ★★★



# *Granting Credit in Canada*

C. B. FLEMINGTON . . Canadian Correspondent



## **Credit as a Creative Force**

MRS. ALICE E. REILY, Howe-Caspell-Sholdice, London, Ontario, Canada

**C**REDIT REDUCED to its simplest terms is all of the wealth of the world being used by all the people of the world to their fullest advantage. That has such a sensible and reasonable sound! The wealth of the world belongs to the people of the world. Why do they not distribute and use it? Because, though it sounds simple it is not really so, owing to the artificiality of our civilization. But it can be done. The most satisfactory method yet devised has been the extension of credit.

Credit has a long history and it has had many ups and downs as mankind moved forward on his journey toward civilization. The practice has been abused, condemned, and forgotten but it has never suffered a total eclipse for it is fundamentally triumphant. It is the fruit of optimism and the instrument of hopeful people.

Its simplest meaning is "I believe" and these words marked one of man's earliest yet most significant efforts away from the purely physical organism into the creative consciousness of spiritual development. Faith in other human beings; an awareness of a common goal; the development of the cooperative spirit and a sense of responsibility toward humanity as a whole, are the things that have made us "lower than the angels" certainly, yet higher than that state of bestiality which is the fate of life without vision.

Credit offers a realistic means to the advancement of civilization by merging material and spiritual qualities so that the greatest possible good may be the inheritance of our age. Only by the extension of credit can the terrific project of developing the material possibilities of this fabulous world be even begun. In material impoverishment spiritual development is impossible for any except the rare few whose greatness transcends the laws that govern the great mass of humanity. Credit is the underlying force in the democratic way of life, and of late years it has become so important in our national and international economy as to require the devotion of the entire time and intelligence of persons who understand its importance, its scope, and its requirements. In short, it has become a science and requires scientifically trained and carefully chosen personnel to develop it fully.

The development of the idea of credit started far back in antiquity. A careful study of history exhibits the fact that upon its successful operation in small businesses and in the affairs of nations rests the hope of continued prosperity. The possibilities it suggests for our future are so enormous as probably to be beyond our average and restricted conceptions, and because it is a force of atomic proportions it requires constant supervision. The sanctity of its fundamental laws must be recognized and controlled if it is to be extended to its utmost useful limits.

The idea of using and extending credit was in man's earliest thinking, but its development followed the un-

even course of all the great ideas of the human mind. Against the condemnation by State, philosophers, economic theorists, and the Church itself, it has yet forged forward becoming a world force which has shaped events in the past, grown into wider importance in the present, and promises to be a governing feature of the future.

A glance into the past discovers it in the early golden age of Greece. It promoted four centuries of peace and prosperity in Roman times, then was lost temporarily when the Roman Empire fell, and lay buried for considerably more than six centuries. These centuries were known as the Dark Ages, and Europe suffered a period of travail as she struggled upward through slavery and poverty, wrestling with her own impotence and despair. No industry could flourish, and humankind seemed lost in a nightmare of retrogression when spiritual and creative life was practically extinct. However, a spark leaped up in the darkness and the struggling spirit formed itself into the idealism which resulted in the Crusades. Credit was at this time banned by the Princes of the State and the Church in every important country, but the Crusaders required financing and as always when the spirit is determined the material world bends to its will. Under the impetus of this crusading spirit the State and Church were forced into acquiescence, or at least non-interference. So wealthy burghers made loans and took the lands of the Crusaders as security. Not all of these lands were redeemed and the families into whose hands they fell became the new wealthy class and put their new found wealth to work. Capitalism was now in its infancy. New business life was stirring in Europe. Commerce was pouring new spirit into a civilization almost dormant. And the men of this age were awakening to the vision of what an active commerce could do for them. Commerce demanded Credit as its vitalizing force, therefore it became an urgent necessity that the extension of Credit be accepted by Church and State as a legal business practice.

### **Prejudices Against Credit Broken**

It is beyond our present scope to discuss the many devious ways by which the ancient prejudices against credit were broken down. Prejudices that were the natural outcome of the corrupt practices of usury and extortion in an uncontrolled and ill-ordered economy. It is sufficient that necessity forced the issue and credit in a crude and not always satisfactory form once more became widely used.

Up to that period the bulk of the credit extended had been to the Church and to ruling Princes. This of course meant small advantage to commerce and to the people as a whole. Vast sums of money were wasted through the whims and extravagances of ruling families,

and to wage destructive wars. Money was alternately squandered and hoarded. Those in power strove to acquire all possible wealth for in wealth alone they felt secure. By holding fast to wealth and power they thought they could keep the masses in hopeless poverty and subjection. There was no confidence anywhere that the unlimited wealth of the world could be realized and by being distributed could bring fullness of life, security, and freedom from fear to all.

At this time two events occurred which gave incalculable impetus to the dawning conception of world wealth fully realized and distributed. In 1440 Gutenberg invented the printing press in Europe, and in 1492 Columbus discovered America. In each case credit was necessary to the carrying out of the undertaking. These two events probably did not seem of vast importance to the average person of that era, yet if he had been able to interpret the occasional tremors that stirred his imagination he would have been able to foretell fantastic changes for the centuries ahead. Slowly, laboriously, change was at work. Men were learning painfully, yet with a passionate determination to live more fully. They were learning that the whole earth was their inheritance and that it could be put to work for the masses by the use of credit. A new era dawned for the peasant, the craftsman, and the intellectual. Science began to contribute new ideas and credit could be obtained to develop them. Civilization moved forward no longer wholly bound by restricted currency which at that time was merely "mine wealth," but encouraged by the opportunity of using all wealth suggested by a newly awakened consciousness in mankind.

#### **The Dutch East India Company**

Then in the middle of the Seventeenth Century a new idea in credit was conceived. A joint stock company was formed. It was the Dutch East India Company. This was followed by the establishment of the Hudson Bay Company, and the Bank of England. A Credit system as we know it today was born. By this is meant a credit system extended to business rather than to Church or State. Something vastly more humanizing and useful than had heretofore been conceived. It was the emergence of an entirely new way of thinking. From thenceforth credit, which is the symbol and instrument of economic opportunity, was no longer confined to the few but spread powerfully in England and outward to the Colonies to reach its highest effectiveness in the financial activities of Robert Morris in the American Colonies, and Benjamin Franklin then Ambassador to France. Their understanding of credits as a base upon which to build economic supremacy probably won the Revolution for America and was the foundation upon which American democracy flourished and built a great sister nation for England, equally powerful and humanitarian. England and America were charged with a determined spirit of freedom which demanded the widest use of Credit as an agency for the fullest realization of the wealth which is the inheritance of man. No longer would people starve in the midst of plenty.

As they grew in knowledge they demanded a system which would lead to the wider life, and that determination vitalized the entire economic structure of each country in which it existed. It emboldened its people to

develop a more imaginative and creative effort. Men began to come from the ranks of the workers and become leading manufacturers and entrepreneurs who used credit to take advantage of opportunity. These men generally were men of wider vision and foresight than private owners of inherited wealth. They also had in many cases an appreciation of the skill and ability of the labourers from whose ranks they rose. Their ability to see glittering opportunities led them to pay higher wages than would the less progressive owners. The conception of broadly extended credit grew with them and has become an integral part of our way of life.

#### **The Industrial Revolution**

The part played by the men who could conceive of credit as a great creative force in this whole era of the "Industrial Revolution" is of incalculable importance. It is not too much to say that without them there would have been no British Empire, no mass producing United States of America, no Canada as we know it today with its economic foundations well and truly laid and now in the midst of a period of enormous development.

But whatever credit men may have achieved in the past, their opportunities and responsibilities in the last half of the Twentieth Century will be greater than ever. Indeed, the wise administration of credit seems to be one of the biggest jobs in the world today. If we think of it on the international scale we are awe struck by the tremendous issues involved. However, we must never lose sight of the fact that sound credit cannot exist at the top levels unless it starts at the grass roots. And although this work may and often does take these men among the ranks of the mighty it should be with a full realization of their duty to the humblest of the world's labourers and the most struggling of small businessmen. For no economic structure stands without all these parts, and it has been shown that a discriminating yet courageous extension of credit is vitally necessary to keep the wage earners of the world prosperous, and the small businessman flourishing. It is these wage earners and small businessmen who develop into big business and important consumers, and without whom there is no prosperity for anyone.

It is a grave duty toward the future that credit as a creative force be recognized for what it is and not be allowed ever again to be submerged. It is through its widest application that it will be possible for people to build "more stately mansions" as our economic structure reaches a new high in a world that *must* merge material and spiritual values or perish. \*\*\*

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  - B. Residence address for past three to five years.
  - C. Position and place of employment for past three years.
  - D. Trade references.
  - E. Bank account and whether checking or savings.
  - F. Whether monthly charge or instalment account.
3. Rush reports should be requested only when absolutely necessary. An unusual number of such requests will seriously affect the service of the Credit Bureau and increase its operating costs.
4. Requests from the Bureau for credit information should be handled with dispatch, to insure:
  - A. Prompt service to inquiring member, and,
  - B. Courtesy to the customer referring to you.
5. Report to the Bureau all slow and unsatisfactory accounts, excess returners of merchandise and customers inclined to overbuy.
6. Charge accounts of customers inactive for more than a year should be checked through the Bureau, to ascertain current credit standing.
7. Look upon your Bureau as you would a key executive and an important department of your business, essential to the successful extension of credit.
8. Cooperate with the Bureau to:
  - A. Improve credit conditions in your community, and,
  - B. Consider it your responsibility to contribute to the success of the Bureau in all its activities.
9. Use your Credit Bureau freely, with the knowledge that money expended for reliable credit reports enables you to extend credit safely and is an investment and not an expense.
10. In an effort to effect savings, do not communicate with references direct. Such information is, as a rule, only partially complete and in the long run, much more costly than the purchase of credit reports on all applicants.



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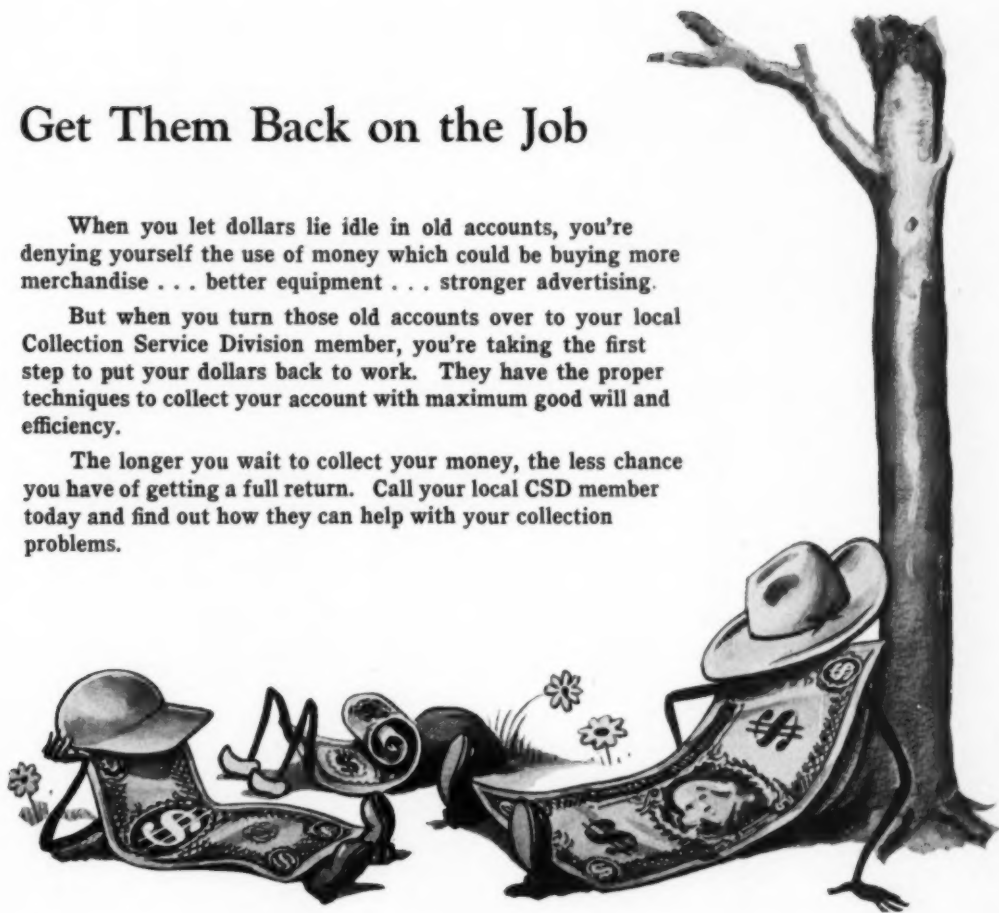


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